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ABSTRACT

This report presents staff recommendations of the Illinois Board of Higher Education concerning budget recommendations for higher education operations and grants for fiscal year 1999. General funds recommendations total $2,207.1 million, an increase of 6.1 percent over 1998 appropriations. Recommendations are also included for locally-held university income funds and other state appropriated funds. New state resources are recommended for the following high priority areas: integrating technology, teaching, and learning; preparing Illinois' workforce; strengthening the quality of undergraduate education; improving student access and affordability; protecting the state's public colleges and universities' physical facilities from deterioration; fostering research and economic development; and strengthening the academic base of institutions. Separate sections of text and data tables provide more information and financial detail on: preparing for the 21st century, public universities, community colleges, the Illinois Student Assistance Commission, grant programs, and agencies and retirement. Related higher education data are appended in tables which detail: general funds expenditures by sector, expenditures from 1970 to 1998, comparison of tuition/fees with economic indicators (1985-1998), annual tuition rates at Illinois public universities, and cost study credit hours at Illinois institutions of higher education. (DB)

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ED 417 661

# STATE OF ILLINOIS

# BOARD OF HIGHER EDUCATION

## FISCAL YEAR 1999 HIGHER EDUCATION

## BUDGET RECOMMENDATIONS

## OPERATIONS AND GRANTS

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**PRESENTED BY THE STAFF TO THE**

**ILLINOIS BOARD OF HIGHER EDUCATION**

**January 6, 1998**

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## I. Summary of Fiscal Year 1999 Recommendations

Fiscal year 1999 general funds recommendations for higher education operations and grants, including the State Universities Retirement System, total $2,207.1 million, an increase of $127.9 million, or 6.1 percent, over the comparable fiscal year 1998 appropriations. The general funds recommendations are presented on Table I-1. Recommendations also are included for locally-held university income funds and other state appropriated funds. The recommendations from all funds total $2,931.0 million and are summarized on Tables I-2 through I-4.

New state resources are recommended to prepare Illinois higher education for the 21st century by addressing higher education's highest priorities, including:

- integrating technology and teaching and learning,
- preparing Illinois' workforce,
- strengthening the quality of undergraduate education,
- improving student access and affordability,
- protecting the state's public colleges' and universities' physical facilities from deterioration,
- fostering research and economic development, and
- strengthening the academic base of institutions.

An average 3.0 percent faculty and staff compensation increase is recommended, and incremental funding of $13.8 million is recommended for the State Universities Retirement System. The specific components of the fiscal year 1999 recommendations for higher education operations and grants are summarized below.

### Integrating Technology and Teaching and Learning

In November 1997, the Board of Higher Education endorsed the report of the Higher Education Technology Task Force, *The Illinois Century Network: New Dimensions for Education in Illinois*. The report provides a framework and structure for computing and computer networking to retain and expand Illinois' position as a world leader. These recommendations support statewide initiatives and address campus specific needs by providing $12.9 million in incremental funding for higher education technology enhancements, including:

- An increase of $6.7 million for computer equipment, computer and network support, faculty and staff training courses, content development, and backbone connection costs at public universities.

- An increase of $650,000 in Advanced Technology Grants for community colleges to purchase state-of-the-art equipment and assist with technology infrastructure, transmission, and maintenance costs. Total grants for fiscal year 1999 will be $10.3 million. The recommendations also include $2.0 million for a new community college grant program to improve faculty and staff technical skills and Credit Hour Grant support for classroom technology initiatives.

- An increase in interinstitutional grants of $250,000 to support a statewide multi-institution Internet initiative.

- An increase of $100,000 for improvements in the use of new technologies in Illinois libraries through the Library Resource Sharing Project, bringing total fiscal year 1999 grants to $1.5 million.

- An increase of $100,000 for grants to engineering schools for advanced engineering equipment, bringing total fiscal year 1999 grants to $2.8 million.

**Preparing Illinois' Workforce**

The statewide priority of preparing Illinois citizens for tomorrow's workplace builds upon institutional efforts to better prepare graduates for the workplace and assist business and industry in training and retraining their current workforce. These recommendations include a total of $12.4 million for new or expanded workforce preparation initiatives, including:

- $1.4 million in incremental funds for Workforce Preparation Grants to community colleges to support and expand the current Opportunities Program to all community colleges to provide employment training and job placement assistance services to welfare clients. The recommendations include increased support for the business and industry center at each community college. The recommendations also include Credit Hour Grant rate support for adult basic and adult secondary education.

- $5.6 million in incremental state funds for new or expanded programs for teacher preparation, professional fields, and off-campus programs at public universities.

- $2.0 million for the Cooperative Work Study Program, an increase of $250,000, or 14.7 percent, over fiscal year 1998 appropriations.

**Strengthening the Quality of Undergraduate Education**

The Board of Higher Education's commitment to the delivery of quality undergraduate programs in Illinois is reinforced in these fiscal year 1999 budget recommendations. Incremental funds totaling $17.9 million are included for statewide and institutional initiatives aimed at strengthening undergraduate education, including:

- An increase of $1.0 million in resources for community colleges to support teaching and learning initiatives through Performance Funding Grants. Additional support is provided through Credit Hour Grants to develop faculty and staff technical skills, strengthen faculty development, and support remedial education efforts.

- Incremental funds totaling $11.0 million for improving student retention, strengthening articulation, and providing instructional equipment and learning resources at public universities.

- Incremental funding of $771,100 for the Illinois Financial Assistance Act to support improvements in undergraduate teaching and learning at independent colleges and universities.

- $485,000 in incremental funds for interinstitutional grants to encourage cooperative education efforts among public and private schools, colleges, and universities.

## Improving Student Access and Affordability

These recommendations address Board of Higher Education policies aimed at improving student access to and the affordability of Illinois higher education by providing funds for initiatives that expand financial assistance to needy students. These recommendations include:

- An increase of $27.0 million, or 9.5 percent, for the need-based Monetary Award Program. The total recommendation of $310.1 million will allow for an increase in the maximum award from $4,120 to $4,320 and compensate for tuition and fee rate increases. The recommendation includes the second year of the phase-in plan that extends Monetary Award Program eligibility to students attending accredited degree granting proprietary institutions approved by the Board of Higher Education. The recommendations also extend the application deadline for continuing grant recipients and increase the number of grants awarded by approximately 4,000 to a total of 135,500 students.

- The recommendation includes $8.5 million for the Illinois Incentive for Access program, providing one-time grants of $500 for freshmen students who have no family resources to pay for college costs.

- A total of $22.0 million for the Veteran Grant Program and $3.9 million for National Guard Scholarships which fully fund anticipated program requirements in fiscal year 1999.

## Protecting Campus Facilities from Deterioration

The repair and maintenance needs at Illinois college and university campuses continue to place increased demands on institutional budgets. The fiscal year 1999 recommendations recognize the need for additional resources to address deferred maintenance and provide new state funds to address these concerns, including:

- $4.1 million in incremental state funds to address the most critical deferred maintenance needs at each public university campus.

- $2.1 million in deferred maintenance grants to address facility repair and maintenance projects at Illinois community colleges.

## Fostering Research and Economic Development

Illinois higher education institutions are uniquely positioned to provide advanced research and service to stimulate Illinois business and industry and to secure federal grants, by leveraging state investments, to further advance important initiatives. These recommendations provide $6.8 million in new funding to support these efforts.

- $5.0 million for a new competitive grant program providing state funds to institutions for matching requirements of federal granting agenices.

- $1.0 million in incremental state funds for a total of $3.0 million to support advanced x-ray research at the Advanced Photon Source located at Argonne National Laboratory.

- $800,000 in incremental funds for Higher Education Cooperation Act Economic Development Grants to support and expand collaborative initiatives between higher education institutions and Illinois business and industry.

**Strengthening the Academic Base of Institutions**

These recommendations recognize the unique needs of certain institutions, or types of institutions, by providing additional resources to strengthen their basic academic foundation. These resources will be used to address the needs of the institutions, including increasing faculty and staff salaries to levels comparable with peer institutions; increasing the resource base for full-time faculty; and increasing course sections and other institutional support requirements.

- An increase of $13.8 million, or 6.8 percent, in state appropriated support is recommended for the State Universities Retirement System. The required contribution is a continuing appropriation reflecting the level certified by the Board of Trustees of the System to fund the normal costs of the System and to increase the funding ratio so the System will have a funding ratio of 90 percent in 50 years.

- Incremental funds totaling $37.6 million are recommended for an average compensation increase of 3.0 percent for public universities' employees. The recommendation provides continued salary improvements through a combination of incremental state funding and institutional-based decisions on priorities and productivity improvements.

- A total of $62.4 million, an increase of $4.0 million, or 6.8 percent, is recommended for community college Equalization Grants to assist districts with below average local property tax wealth and $1.9 million, the same amount appropriated in fiscal year 1998, for Small College Grants to provide academic base support to districts with less than 2,500 full-time-equivalent students.

- A total of $250,000 is recommended to support a new initiative at community colleges to teach leadership and core values to all students and $2.9 million is recommended for Retirees Health Insurance Grants to support health benefits for retired community college faculty and staff.

**Sources of Funds**

- An increase of $127.9 million, or 6.1 percent, is recommended for state general funds support for higher education operations and grants, including an increase of $19.2 million for the State Universities Retirement System. An increase of $108.6 million, or 5.7 percent, in state general funds is recommended for institutional operations and grants, excluding retirement.

- An increase of $155.1 million, for a total of $2,931.0 million, is recommended from all funds for higher education operations and grants. This represents an increase of 5.6 percent over fiscal year 1998 appropriations of $2,775.9 million.

- The recommendations include university income funds totaling $486.8 million, an increase of 4.4 percent, or $20.3 million, over fiscal year 1998 institutional budgets. Beginning in fiscal year 1997, universities income funds were held locally and appropriation authority is not required. The recommendations reflect the universities' estimates of tuition revenue generated from tuition increases and enrollment changes and are shown as a source of funds to meet public university resource requirements.

- Recommended appropriations from the Student Loan Fund are $215.5 million, an increase of $14.6 million, or 7.3 percent, above fiscal year 1998 appropriations. The recommendations for all other appropriated funds total $21.6 million, a decrease of $7.7 million, or 26.3 percent. The recommendations also reflect the elimination of the Agricultural Premium Fund from fiscal year 1998 appropriations and fiscal year 1999 requests and recommendations with a corresponding increase in general funds.

The staff recommends adoption of the following resolution:

*The Board of Higher Education hereby approves the fiscal year 1999 recommendations for Higher Education Operations and Grants as displayed in summary on Tables I-1, I-2, I-3 and I-4.*

*Detailed recommendations for institutions, programs, activities, and grant programs are displayed on Tables III-1 through III-4 (Universities), IV-1 and IV-6 (Community Colleges), V-1 (Illinois Student Assistance Commission), VI-1 (Financial Assistance to Nonpublic Institutions), VI-2 (Health Education Grants), VI-3 (Institutional Grant Programs), VII-1 (Illinois Mathematics and Science Academy), VII-2 (State Universities Civil Service System), VII-3 (Board of Higher Education), and VII-4 (State Universities Retirement System).*

Table I - 1

FY1999 RECOMMENDATIONS
HIGHER EDUCATION OPERATIONS AND GRANTS
GENERAL FUNDS

(in thousands of dollars)

| Resource Requirements | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Universities | $ 1,214,008.3 | $ 1,332,834.4 | $ 1,268,546.0 | $ 54,537.7 | 4.5 % |
| Community Colleges | 271,149.4 | 294,503.5 | 285,661.8 | 14,512.4 | 5.4 |
| Illinois Student Assistance Commission | 327,528.6 | 366,054.1 | 356,092.5 | 28,563.9 | 8.7 |
| Illinois Financial Assistance Act | 19,276.6 | 19,854.9 | 20,047.7 | 771.1 | 4.0 |
| Health Education Grants | 21,872.5 | 23,499.7 | 22,676.3 | 803.8 | 3.7 |
| Institutional Grant Programs | 22,490.0 | 41,450.0 | 30,893.5 | 8,403.5 | 37.4 |
| Illinois Mathematics and Science Academy | 13,150.5 | 14,386.6 | 13,958.6 | 808.1 | 6.1 |
| State Universities Civil Service System | 1,176.1 | 1,477.1 | 1,252.5 | 76.4 | 6.5 |
| Board of Higher Education | 2,551.2 | 2,711.8 | 2,701.3 | 150.1 | 5.9 |
| Total Institutional Operations and Grants | 1,893,203.2 | 2,096,772.1 | 2,001,830.2 | 108,627.0 | 5.7 |
| Retirement | 186,023.6 | 207,099.6 | 205,268.9 | 19,245.3 | 10.3 |
| Total | $ 2,079,226.8 | $ 2,303,871.7 | $ 2,207,099.1 | $ 127,872.3 | 6.1 % |
| Source of Appropriated Funds | | | | | |
| General Funds | $ 2,079,226.8 | $ 2,303,871.7 | $ 2,207,099.1 | $ 127,872.3 | 6.1 % |
| General Revenue Fund | 1,881,739.7 | 2,098,484.9 | 2,001,712.3 | 119,972.6 | 6.4 |
| Education Assistance Fund | 197,487.1 | 205,386.8 | 205,386.8 | 7,899.7 | 4.0 |

Note: Fiscal year 1998 appropriations and fiscal year 1999 requests and recommendations reflect the elimination of the Agricultural Premium Funds with a corresponding increase in General Revenue Funds.

Table I - 2

FY1999 RECOMMENDATIONS
HIGHER EDUCATION OPERATIONS AND GRANTS

(in thousands of dollars)

| Resource Requirements | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Universities | $ 1,681,772.1 | $ 1,809,767.3 | $ 1,756,623.3 | $ 74,851.2 | 4.5 % |
| Community Colleges | 271,149.4 | 294,503.5 | 285,661.8 | 14,512.4 | 5.4 |
| Illinois Student Assistance Commission | 335,348.6 | 370,224.1 | 361,640.5 | 26,291.9 | 7.8 |
| Illinois Financial Assistance Act | 19,276.6 | 19,854.9 | 20,047.7 | 771.1 | 4.0 |
| Health Education Grants | 21,872.5 | 23,499.7 | 22,676.3 | 803.8 | 3.7 |
| Institutional Grant Programs | 25,390.0 | 44,350.0 | 33,793.5 | 8,403.5 | 33.1 |
| Illinois Mathematics and Science Academy | 13,650.5 | 14,886.6 | 14,458.6 | 808.1 | 5.9 |
| State Universities Civil Service System | 1,176.1 | 1,477.1 | 1,252.5 | 76.4 | 6.5 |
| Board of Higher Education | 2,608.2 | 2,768.8 | 2,758.3 | 150.1 | 5.8 |
| Total Institutional Operations and Grants | 2,372,244.0 | 2,581,332.0 | 2,498,912.5 | 126,668.5 | 5.3 |
| Retirement | 201,624.0 | 222,700.0 | 215,425.0 | 13,801.0 | 6.8 |
| Shared Computing | 1,192.7 | 1,192.7 | 1,192.7 | - | - |
| Loan Program Administration and Loan Requirements | 200,888.1 | 215,489.8 | 215,489.8 | 14,601.7 | 7.3 |
| Total | $ 2,775,948.8 | $ 3,020,714.5 | $ 2,931,020.0 | $ 155,071.2 | 5.6 % |
| Source of Appropriated Funds | | | | | |
| General Funds | $ 2,079,226.8 | $ 2,303,991.7 | $ 2,207,099.1 | $ 127,872.3 | 6.1 % |
| General Revenue Funds | 1,881,739.7 | 2,098,604.9 | 2,001,712.3 | 119,972.6 | 6.4 |
| Education Assistance Fund | 197,487.1 | 205,386.8 | 205,386.8 | 7,899.7 | 4.0 |
| Student Loan Fund | 200,888.1 | 215,489.8 | 215,489.8 | 14,601.7 | 7.3 |
| Other Funds | 29,354.2 | 25,584.2 | 21,637.9 | (7,716.3) | (26.3) |
| Source of Non-Appropriated Funds | | | | | |
| Universities Income Fund * | $ 466,479.7 | $ 475,648.8 | $ 486,793.2 | $ 20,313.5 | 4.4 % |

* University income funds are non-appropriated funds held locally by each university.

Note: Fiscal year 1998 appropriations and fiscal year 1999 requests and recommendations reflect the elimination of the Agricultural Premium Fund with a corresponding increase in General Revenue Funds.

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Table I - 3

FY1999 RECOMMENDATIONS
HIGHER EDUCATION OPERATIONS AND GRANTS
SOURCES OF FUNDS

(in thousands of dollars)

| | General Revenue Fund | Education Assistance Fund | Universities Income Fund * | Student Loan Fund | Other Appropriated Funds | Total |
|---|---|---|---|---|---|---|
| Universities | $ 1,161,638.3 | $ 106,907.7 | $ 486,793.2 | - | $ 1,284.1 | $ 1,756,623.3 |
| Community Colleges | 259,930.8 | 25,731.0 | - | - | - | 285,661.8 |
| Illinois Student Assistance Commission | 294,726.2 | 61,366.3 | - | - | 5,548.0 | 361,640.5 |
| Illinois Financial Assistance Act | 16,143.7 | 3,904.0 | - | - | - | 20,047.7 |
| Health Education Grants | 20,479.1 | 2,197.2 | - | - | - | 22,676.3 |
| Institutional Grant Programs | 26,718.6 | 4,174.9 | - | - | 2,900.0 | 33,793.5 |
| Illinois Mathematics and Science Academy | 13,122.0 | 836.6 | - | - | 500.0 | 14,458.6 |
| State Universities Civil Service System | 1,156.8 | 95.7 | - | - | - | 1,252.5 |
| Board of Higher Education | 2,527.9 | 173.4 | - | - | 57.0 | 2,758.3 |
| Total Institutional Operations and Grants | 1,796,443.4 | 205,386.8 | 486,793.2 | - | 10,289.1 | 2,498,912.5 |
| Retirement | 205,268.9 | - | - | - | 10,156.1 | 215,425.0 |
| Shared Computing | - | - | - | - | 1,192.7 | 1,192.7 |
| Loan Program Administration and Loan Reimbursements | - | - | - | $ 215,489.8 | - | 215,489.8 |
| Total | $ 2,001,712.3 | $ 205,386.8 | $ 486,793.2 | $ 215,489.8 | $ 21,637.9 | $ 2,931,020.0 |

* University income funds are non-appropriated funds held locally by each university.

Note: Other Appropriated Funds reflect the elimination of the Agricultural Premium Fund with a corresponding increase in General Revenue Funds.



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Table I - 4

FY1999 RECOMMENDATIONS
HIGHER EDUCATION OPERATIONS AND GRANTS
OTHER FUND SOURCES

(in thousands of dollars)

| | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations |
|---|---|---|---|
| Fire Prevention Fund | $ 994.1 | $ 994.1 | $ 994.1 |
| Real Estate Research and Education Fund | 290.0 | 290.0 | 290.0 |
| Board of Governors Cooperative Computer Center Revolving Fund | 1,192.7 | 1,192.7 | 1,192.7 |
| Federal State Student Incentive Trust Fund | 2,820.0 | - | 1,498.0 |
| ISAC Federal Student Assistance Scholarship Fund | 1,750.0 | 1,750.0 | 1,750.0 |
| Monetary Award Program (MAP) Reserve Fund | 2,000.0 | 2,000.0 | 2,000.0 |
| HELP Fund (ISAC) | 1,000.0 | 50.0 | 50.0 |
| Higher EdNet Fund | 100.0 | 100.0 | 100.0 |
| ISAC Accounts Receivable Fund | 150.0 | 150.0 | 150.0 |
| Higher Education Title II Fund | 2,957.0 | 2,957.0 | 2,957.0 |
| Illinois Mathematics and Science Academy Income Fund | 500.0 | 500.0 | 500.0 |
| State Pensions Fund | 15,600.4 | 15,600.4 | 10,156.1 |
| Total | $ 29,354.2 | $ 25,584.2 | $ 21,637.9 |

Note: Fiscal year 1988 appropriations and fiscal year 1999 requests and recommendations reflect the elimination of the Agricultural Premium Fund.

## II. PREPARING FOR THE 21ST CENTURY

As the year 2000 approaches, each of us faces the realization that change is taking place at an ever quickening pace. The obsolescence of new technologies is now measured in months rather than years. Developments in medical research and the health care field are creating quality of life improvements that were not imagined just a few years ago. Job skills require constant updating as new technologies and manufacturing and service practices are introduced into an ever changing workplace. Advances in applied research are constantly bringing new and innovative products into our homes and businesses. The impetus for many of these changes is higher education and as change continues, so will the demands on higher education.

At the same time, our society continues to prosper because of our tradition and heritage. Illinois and the nation have succeeded because of the strengths of our governmental and educational institutions and their ability to support and enhance all segments of the economy and society. As a state and nation, we also have succeeded because of the richness and unique abilities that come from the diverse nature of our people. While the future demands change, history has shown that success will depend on the strength of our higher education institutions and the success of all students and citizens.

With these challenges, Illinois higher education must, and is, preparing for the 21st century, knowing that tough questions will be asked and demands on higher education will be many. Resources will not be available to support all existing programs and activities and every new request. Choices must be made. Undergraduate programs must be strengthened to provide the highest quality education for the traditional high school graduates as they study for their new careers. Preparing for the 21st century, however, recognizes the changing nature of education - the growing number of non-traditional students; the needs of businesses for on-site, customized training and retraining; the need for lifelong learning and continuing education; the needs of place bound students for courses delivered by non-conventional means; and the needs of students attending multiple institutions. High priority must be placed on repairing and maintaining the physical infrastructure of our campuses. Preparing for the 21st century recognizes the need for new infrastructures that support courses and programs delivered anytime and anyplace, regardless of time or distance; and interconnect libraries, hospitals, elementary and secondary schools, business and industry, and governmental agencies with higher education services and programs.

These recommendations strengthen the academic foundation of Illinois higher education institutions and address the state's most important program priorities to position Illinois higher education for the new millennium, through:

- integrating technology and teaching and learning,
- preparing Illinois' workforce,
- strengthening the quality of undergraduate education,
- improving student access and affordability,
- protecting campus facilities from deterioration,
- fostering research and economic development, and
- strengthening the academic base of institutions.

**Integrating Technology and Teaching and Learning**. Preparing for the 21st century requires that all citizens develop the skills necessary for competency in the use of the latest technologies employed in the workplace. It also requires the elimination of barriers that might limit

or inhibit students, business, industry, schools, and government from accessing higher education services.

In November 1997, the Board endorsed the report, *The Illinois Century Network: New Dimensions for Education in Illinois*, that proposes the Illinois Century Network as a program of network services to provide Illinois citizens with universal access to educational services at reasonable costs. In addition to improved student learning, the central value of the system will be the ability to link higher education, through a high band width network, to schools, public libraries, hospitals, governmental agencies, industry, small businesses, and individual citizens, providing the communication capacity to extend educational opportunities throughout the state.

The Illinois Century Network builds upon the networking capabilities of individual campuses and, for the statewide network to be successful, campus systems need to be enhanced and expanded and campus connections to the statewide network need to be in place. In addition, continuing faculty and staff training in the use of technology is an increasingly high priority on campuses. Significant efforts must be made to develop the curricular content that emphasizes student interaction and brings together teachers and learners, regardless of time or location.

These recommendations include funds to integrate technology and teaching and learning, purchase instructional equipment, and continue distance learning initiatives at the public universities. At community colleges, increases are recommended in Advanced Technology Grants for state-of-the-art equipment purchases and technology infrastructure and Staff Technical Skills Grants and Credit Hour Grants to improve, through the use of technology, the quality of instruction and student services. The recommendations also include increases in Higher Education Cooperation Act grants, targeting additional resources for the Library Resource Sharing Project providing Illinois libraries with new technologies and improving access to information, and supporting collaborative, statewide, multi-institution networking and technology innovation efforts.

Funding for technology initiatives included in the operating budget is enhanced by complementary support for Technology Enhancements and Illinois Century Network initiatives in the *Fiscal Year 1999 Board of Higher Education Recommendations for Capital Improvements*.

**Preparing Illinois' Workforce**. The workplace of the 21st century will provide new and challenging opportunities for graduates entering the workforce for the first time as well as those learning or updating skills for new workforce opportunities.

*Strengthening Workforce Preparation: A Collaborative Action Plan*, adopted by the Board in May 1995, and *Status Report on the Workforce Preparation Action Plan*, March 1997, provide a policy framework for action at the state level and communicate workforce preparation priorities to higher education institutions. Higher education has a significant role to play in improving individuals' opportunities for a high quality of life that includes meaningful and profitable employment and supports state and national economic prosperity. By continuing improvements in education and training programs and being responsive to business and industry, higher education will speed progress towards an improved workforce and breaking the cycle of poverty for many families.

The workforce preparation action plan recommends improvements in workforce preparation through increasing opportunities and enhancing the ability for lifelong learning; equality of learning opportunities and access to information; overcoming barriers to higher knowledge, skills, and employment; ensuring that what is taught in classrooms is relevant to the

workplace; and assuring that investments of state dollars produce high quality services for both students and employers.

These budget recommendations advance the goals of the action plan by including funds to expand collaborative efforts with business and industry, education-to-careers, and welfare-to-work programs; enhance services to students; expand manufacturing assistance efforts; strengthen academic programs; and increase student internship opportunities.

**Strengthening the Quality of Undergraduate Education**. Enhancing the quality, availability and delivery of undergraduate education are increasing challenges and priorities as institutions prepare for the 21st century.

Strengthening the quality of undergraduate education has been a long-standing policy initiative of the Board of Higher Education and Illinois colleges and universities. The fiscal year 1999 budget recommendations provide additional funds to allow institutions to make advancements in teaching and learning, revise and update curricula and enhance articulation and undergraduate student retention. The recommendations provide support for institutional and statewide priorities for strengthening the quality of undergraduate instruction. Funds are included for specific initiatives such as restructuring general education courses, expanding academic programming, improving student academic advising and student retention, and developing tools for assessing student academic progress. Incremental state funds also are recommended for specific new or expanded program requests.

**Improving Student Access and Affordability**. Higher education in the 21st century will be more available and accessible to all Illinois citizens, regardless of the student's place of residence or financial need.

In September 1997, the *Status Report on Implementation of Policies Recommended by the Committee to Study Affordability* highlighted many of the initiatives to assist needy students that have been implemented, including targeting additional funding for need-based financial aid programs, supporting new financial aid information systems, extending eligibility for student financial aid to students attending institutions historically denied access to such aid, and establishing new programs to further assist the neediest students. The report also recommended that continued focus be given to keeping college costs affordable.

These recommendations reinforce the Board's policies on improved student access, affordability, and need-based assistance by providing increased funding for the state's largest need-based financial aid program--the Monetary Award Program (MAP). New incremental funds will offset tuition and fee increases, extend the application deadline to allow continuing eligibility for late decision makers, increase the number of eligible applicants who will receive a grant, and increase the maximum award. In addition, the recommendation will support the second year of the plan to provide access to the MAP program to students who choose to attend accredited, proprietary institutions that offer degree programs approved by the Board of Higher Education.

These recommendations continue the Board's efforts to improve and expand need-based student financial assistance. In fiscal year 1997, in response to the Committee to Study Affordability's recommendation, the Board recommended and the General Assembly approved the need-based Illinois Incentive for Access program that provides $500 annual awards for freshmen who have no family resources to pay for college. Funding of $8.5 million for the program is recommended for fiscal year 1999.

**Protecting Campus Facilities from Deterioration**. In preparing for the 21st century, it is incumbent on institutions to enhance efforts to preserve the integrity of the state's public colleges' and universities' physical facilities.

The deterioration of buildings and infrastructure jeopardizes the ability of institutions to maintain quality educational services and, in some cases, jeopardizes the safety of students, faculty, and staff. As part of the Priorities, Quality and Productivity (P·Q·P) initiative, institutions identified deferred maintenance as an increasingly high priority, and have reallocated resources from lesser priorities in order to address the backlog of deferred maintenance needs. Despite these reallocations, many institutions have not been able to provide sufficient resources to keep up with the on-going demands for maintenance and repair of aging campus facilities. In recognition of the growing need for deferred maintenance funds, these recommendations provide incremental state resources for public colleges and universities to address the most critical deferred maintenance concerns.

In addition to funding for campus repair and maintenance initiatives included in the operating budget, support for repair and renovation projects at each public university and community college campus is included in *Fiscal Year 1999 Board of Higher Education Recommendations for Capital Improvements*.

**Fostering Research and Economic Development**. Preparing for the 21st century will build upon higher education's important contributions to society through basic and applied research and to the state's economy by leveraging higher education resources to stimulate private and federal support.

The strengths of Illinois higher education are recognized worldwide in computer and computational science research; computer software developments at the National Center for Supercomputing Applications at the University of Illinois at Urbana-Champaign; medical and health care research and innovations; and agriculture research and services. These strengths serve to diversify and solidify the state's economy and provide a competitive advantage in further economic development initiatives. These recommendations serve to enhance these efforts through funding for a new grant program that will leverage state grant funds to secure federal grant funding, expanding cooperative efforts with Illinois manufacturers, and increasing funding for advanced x-ray research at the Advanced Photon Source at Argonne National Laboratory.

**Strengthening the Academic Base**. Illinois higher education continues to be strengthened by the number and diversity its institutions. This diversity, however, results in needs unique to certain institutions or types of institutions. Preparing for the 21st century requires that these diverse needs be recognized and addressed to strengthen the entire higher education system.

Maintaining competitive compensation to attract and retain the high caliber of faculty and staff necessary to provide quality education at Illinois institutions is a high statewide and institutional priority. The Board has advanced this priority through a combination of increases in incremental funds and by encouraging reinvestments of resources through the Priorities, Quality and Productivity initiative. In September 1997, the *Fiscal Year 1997 Faculty and Civil Service Salaries* report documented the increase in faculty and staff salaries compared to economic indicators and the relative positions of those salaries in comparison to faculty and staff at peer institutions in other states. The report concluded that faculty and staff salaries in Illinois continue to improve, but continued growth and improvement beyond the rate of inflation must come from focusing on higher education's highest priorities and reinvesting resources in those programs.

These recommendations provide for an average salary increase of 3.0 percent and a 3.0 percent increase in the Medicare base and recognize institutional allocations to retain critical faculty and staff.

These recommendations also include incremental funding of $13.8 million for contributions to the State Universities Retirement System, an increase of 6.8 percent over fiscal year 1998 appropriations. This amount is certified by the State Universities Retirement System as the minimum statutory requirement for the retirement system to reach, within 50 years, a level in which system assets equal 90 percent of liabilities.

Preparing for the 21st century presents new and exciting challenges for Illinois higher education. Through recent and ongoing efforts to identify priorities and to reinvest resources from less important programs and activities to higher priority programs, Illinois higher education has begun to make the difficult choices necessary to improve quality, productivity and affordability and lead Illinois into the 21st century.

These fiscal year 1999 recommendations target new resources to higher education programs and services most important to move higher education into the 21st century. The historical level of support for higher education and the level of support asked of Illinois taxpayers in these recommendations is accompanied by the assurance and commitment that Illinois institutions will continue efforts to set priorities and reinvest resources from low to high priorities in order to improve the quality and productivity of Illinois higher education.

## III. PUBLIC UNIVERSITIES

The fiscal year 1999 budget recommendations for public universities build upon the traditional strengths of each campus and position the universities for the changing demands of the 21st century. Priority decisions continue to be made at both the state and the campus levels and these recommendations address the highest campus needs: integrating technology and teaching and learning, preparing Illinois' workforce, strengthening the quality of undergraduate education, improving access and affordability, and protecting campus facilities from deterioration. Addressing these needs, however, requires a continuing partnership between Illinois taxpayers, students and parents, and institutions. These recommendations recognize that incremental revenues address only part of the need, that institutions must continue to be responsible for implementing productivity improvements and reinvesting resources to address campus priorities.

Public universities continue to recognize the importance of improving student access and affordability. In fall 1997, each public university governing board adopted tuition rate increases with undergraduate tuition increases ranging from 2.8 percent to 3.4 percent, and averaging 3.0 percent, for the 1998-99 academic year. Adopting tuition rates in the fall allows students and their families to plan better for college costs for the coming academic year. Four institutions also have adopted four-year tuition plans and several other universities are considering such plans. These recommendations recognize the financial commitments that students make to their respective campuses by ensuring that additional tuition revenues are used to support campus priorities. These recommendations also recognize that there are financial aid requirements associated with tuition and fee increases and hold each campus responsible for a portion of the financial aid requirement for tuition and fee increases exceeding 3.0 percent.

Fiscal year 1999 recommendations include university income funds as non-appropriated funds. Public Act 89-602 authorizes public universities to retain tuition revenue in local accounts beginning August 1996. Prior to enactment of the legislation, tuition revenues were deposited in the state treasury and subject to appropriation. These recommendations recognize that tuition revenue is a source of available funds and reflect university income funds in the budget presentations. The recommendation for each campus is based on campus estimates of available tuition and other income fund revenue.

Fiscal year 1999 recommendations for public universities total $1,756.6 million. The recommendations include $1,268.5 million in state general funds, an increase of $54.5 million, or 4.5 percent, over fiscal year 1998 appropriations. Nonappropriated university income funds of $486.8 million, an increase of $20.3 million, or 4.4 percent above fiscal year 1998 levels, are included in the recommendations. The recommendations for public universities are summarized on Tables III-1 through III-4.

### Program Priorities

Fiscal year 1999 recommendations include $34.9 million in incremental funds for statewide and institutional priorities including: integrating technology and teaching and learning, strengthening the quality of undergraduate education, protecting campus facilities from deterioration, and strengthening the academic base of institutions. These recommendations support high priority statewide initiatives identified by the Board of Higher Education and programs and initiatives identified by the universities as institutional priorities. Recommended resources will support distance learning programs, articulation initiatives, instructional equipment, student

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retention initiatives, campus deferred maintenance projects, instructional technology and library improvements, and student diversity and minority student achievement.

The fiscal year 1999 recommendations include $6.7 million for technology initiatives. The continued incorporation and integration of educational technology into the classroom has emerged as both an institutional and statewide priority. Distance learning technologies, Internet accessibility, and campus-wide computer networks have been identified by public universities as growing areas of importance. In addition, improved campus connections to external networks, thereby linking the campus to other universities, libraries and students, also is an increasing priority. Funds are recommended for each university, with a base amount of $150,000 per campus and $2.0 million allocated to campuses based on instructional credit hours to address campus networking and backbone connection costs. An additional $2.9 million is allocated to specific technology priorities including technology and computer enhancements, instructional technology and equipment, and distance learning support.

The fiscal year 1999 recommendations include a total of $5.6 million for new or expanded initiatives to better prepare Illinois' workforce. In response to the Board's *Strengthening Workforce Preparation: A Collaborative Action Plan*, funds are recommended to support program initiatives in health and social service professions programs including the Masters in Social Work at Chicago State University and Governors State University, teacher education programs that better prepare elementary and secondary school teachers, as well as off-campus programs and distance education programs aimed at placebound students. New resources also are targeted to improve linkages between Illinois public universities and regional economic development activities and support research activities that will lead to increased employment for Illinois citizens.

The fiscal year 1999 recommendations provide funding totaling $11.0 million for strengthening undergraduate education at Illinois public universities. The Board of Higher Education reaffirms undergraduate education as one of its highest priorities. These recommendations support this priority by providing funds for undergraduate programs and initiatives at each of the 12 public university campuses. Funds are recommended for increases in the number of faculty and for student retention initiatives at Chicago State University; academic base support at Eastern Illinois University; articulation initiatives at Governors State University; improving the undergraduate experience at Illinois State University and Northern Illinois University; instructional staffing and support at Northeastern Illinois University; classroom and laboratory equipment at Western Illinois University; instructional support at Southern Illinois University at Carbondale; technologically delivered instruction at the Southern Illinois University at Edwardsville; and academic base support for the three campuses of the University of Illinois.

Providing new state resources for deferred maintenance needs is an increasing priority on Illinois public university campuses. The combination of ongoing operating funds for routine repair and maintenance needs and Capital Renewal grants totaling $15.0 million included in the *Fiscal Year 1999 Board of Higher Education Recommendations for Capital Improvements* for repair and renovation projects are intended, over time, to provide the resources necessary to protect campus facilities from deterioration. The fiscal year 1999 recommendations provide incremental funds totaling $4.1 million for deferred maintenance projects. Funds are recommended for each university with a base amount of $75,000 per campus, $2.0 million are allocated among the campuses based on their proportion of statewide gross square feet, and an additional $2.1 million are recommended for deferred maintenance priorities specifically identified by individual institutions.

Additional support is recommended to address unique campus priorities. A total of $4.4 million is recommended for seven campuses where the Board of Higher Education salary study indicates faculty salaries are below those of peer institutions. The recommendations also include carryover balances at three institutions that have chosen to retain unspent tuition revenue in their local accounts for expenditure in fiscal year 2000. Institutional support is included for risk management programs at Northeastern Illinois University, computer system support at Northern Illinois University, rural affairs initiatives at Western Illinois University, graduate education and research support at the University of Illinois at Chicago, and institutional support and graduate assistant stipends at the University of Illinois at Springfield. Support also is included for staff retention initiatives at Chicago State University, for need-based scholarships at the Southern Illinois University School of Medicine, and for minority outreach programs at the University of Illinois at Chicago.

## Institutional Support

### Compensation Increases

Maintaining and delivering quality educational programs is at the heart of the public universities' mission. More than any other factor, the skill, expertise, and dedication of the faculty and staff at these institutions determines the overall quality of the services provided. Competitive compensation is a key element in attracting and retaining the high caliber of faculty and staff needed to deliver quality educational programs at Illinois public universities. Continued progress in maintaining competitive faculty and staff compensation is both an institutional and statewide priority.

The fiscal year 1999 recommendations include funds totaling $37.1 million for an average 3.0 percent salary increase calculated on 95 percent of the personal services base to reflect staff turnover and vacant positions, $365,000 for a 3.0 percent increase in Medicare costs, and $101,000 for increases in Workers' Compensation costs at the University of Illinois. Workers' Compensation claims for all of the other public universities are administered by the Department of Central Management Services.

In addition to the increase in salaries, faculty and staff compensation also includes an increase of $13.8 million in contributions to the State Universities Retirement System. The additional recommended resources are sufficient to meet the normal cost of maintaining the System and increase the System funding ratio to 90 percent over the next 50 years, which will assure the financial viability of the System for current and future retirees.

### Library Materials Increases

The delivery of quality educational services is dependent upon the availability of adequate and appropriate library materials. The preponderance of educational and technical journals and the rising cost of paper have made it difficult for public universities to maintain the volume of materials necessary for faculty and student research and instructional needs. Cooperative library initiatives have improved services available to students but resources are needed to offset cost increases. The fiscal year 1999 recommendations include a 10.0 percent increase, a total of $2.9 million, to accommodate cost increases in library materials.

### Operation and Maintenance of Buildings

The recommendations for fiscal year 1999 provide a total of $1.2 million for the cost of operating and maintaining new areas at public universities. The recommendations include $16,900 at Governors State University; $461,100 at Northeastern Illinois University; $284,000 at the University of Illinois at Chicago; and $420,700 at the University of Illinois at Urbana-Champaign. Utilities support of $228,800 also is recommended at Illinois State University from available income funds.

## Other Adjustments

### Tuition Waiver Adjustments

Board of Higher Education policies limit the amount of undergraduate tuition waived by public universities to three percent of potential undergraduate tuition revenue. Statutory waivers, including waivers for gender equity in intercollegiate athletics, and waivers for civil service staff are excluded from the limitation. Also excluded are tuition waivers granted to foreign students attending an Illinois public university as part of an exchange program that allows Illinois students to attend foreign universities by paying tuition at an Illinois public university. The budget recommendations include $401,900 in negative base adjustments at Chicago State University, Northern Illinois University, and the University of Illinois at Springfield where tuition waivers exceed three percent. These adjustments ensure that state general funds do not subsidize tuition waivers above the limit established by Board policy and will continue to be made until the university is in compliance with Board policy.

### Tuition Related Adjustments

These recommendations recognize the authority of public universities to manage income fund revenues locally. However, these recommendations also recognize that tuition revenues are available to meet institutional resource requirements. Universities are expected to contribute increased tuition revenues equal to three percent of the amount included in their fiscal year 1998 institutional income fund budget to fund fiscal year 1999 salary and cost increases. Campuses receive negative base adjustments when enrollments are projected to decrease, or revenues will not sustain the prior year's resource base. Negative resource adjustments are recommended at three universities where fiscal year 1999 projected income fund revenues are less than three percent over fiscal year 1998 available income fund resources. Without these adjustments, state general funds would replace decreases in tuition revenue. For institutions that increased tuition less than three percent, the required increase in income funds above the fiscal year 1998 base is determined using the actual tuition increase, rather than three percent.

Negative resource adjustments also are recommended to transfer appropriation authority to the Illinois Student Assistance Commission for the Monetary Award Program. These offsets are made at seven campuses where fiscal year 1999 tuition and fee increases are above the approximate inflation rate of three percent. These adjustments support the Monetary Award Program by providing the resources necessary to meet the student financial aid requirements for undergraduate tuition and fee increases above three percent.

## Fund Sources

Table III-1 summarizes operations and grants recommendations for public universities, Table III-2 shows recommended state general funds, Table III-3 summarizes available university income funds, and Table III-4 summarizes the fiscal year 1999 recommendations by source of funds. The recommendations include $1,161.6 million from the General Revenue Fund, $106.9 million from the Education Assistance Fund, $486.8 million from university income funds, $994,100 from the Fire Prevention Fund, and $290,000 from the Real Estate Research and Education Fund.

An adjustment totaling $8.7 million is recommended to fiscal year 1998 appropriations to reflect a reduction of Agricultural Premium Funds and a resulting increase in General Revenue Fund appropriations. Appropriations from the Agricultural Premium Fund support cooperative extension activities of the University of Illinois at Urbana-Champaign. In recent years, revenues into the Agricultural Premium Fund have declined, resulting in the need for periodic transfers from the General Revenue Fund to support Agricultural Premium Fund appropriations. Fiscal year 1999 recommendations replace all higher education Agricultural Premium Fund appropriations with General Revenue Funds.

The fiscal year 1999 recommendations recognize university estimates of available tuition revenues, including fiscal year 1999 rates for tuition and fees, the amount of tuition and fees collected, and the number of students enrolled. These estimates are then used to recommend the resource requirements that can be supported with this level of tuition and fee revenue. The fiscal year 1999 recommendations for public universities are based on the availability of $486.8 million in university income funds, an increase of $20.3 million, or 4.4 percent, over fiscal year 1998 levels.

The recommendation for the Fire Prevention Fund, which supports the Illinois Fire Services Institute at the University of Illinois, is $994,100. The recommendation for the Real Estate Research and Education Fund, which supports the operation of the Office of Real Estate Research at the University of Illinois, is $290,000.

Table III - 1

FY1999 RECOMMENDATIONS
UNIVERSITIES OPERATIONS AND GRANTS

(in thousands of dollars)

| Resource Requirements | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Chicago State University | $ 47,820.1 | $ 55,450.6 | $ 49,494.0 | $ 1,673.9 | 3.5 % |
| Eastern Illinois University | 64,215.3 | 69,955.9 | 68,417.5 | 4,202.2 | 6.5 |
| Governors State University | 31,390.1 | 34,612.6 | 33,023.9 | 1,633.8 | 5.2 |
| Illinois State University | 122,120.2 | 129,361.2 | 127,748.3 | 5,628.1 | 4.6 |
| Northeastern Illinois University | 51,265.2 | 54,254.8 | 55,621.4 | 4,356.2 | 8.5 |
| Northern Illinois University | 143,915.8 | 161,057.4 | 148,900.6 | 4,984.8 | 3.5 |
| Western Illinois University | 74,438.8 | 80,386.3 | 77,776.0 | 3,337.2 | 4.5 |
| Southern Illinois University | 280,892.4 | 301,821.7 | 292,869.1 | 11,976.7 | 4.3 |
| Carbondale | 199,931.3 | 215,499.9 | 207,966.4 | 8,035.1 | 4.0 |
| Edwardsville | 79,183.2 | 84,462.5 | 83,084.6 | 3,901.4 | 4.9 |
| University Administration | 1,777.9 | 1,859.3 | 1,818.1 | 40.2 | 2.3 |
| University of Illinois | 865,714.2 | 922,866.8 | 902,772.5 | 37,058.3 | 4.3 |
| Chicago | 383,801.5 | 407,357.2 | 399,929.5 | 16,128.0 | 4.2 |
| Springfield | 25,368.0 | 27,689.7 | 27,367.8 | 1,999.8 | 7.9 |
| Urbana-Champaign | 413,014.6 | 442,182.9 | 430,695.0 | 17,680.4 | 4.3 |
| University Administration | 43,530.1 | 45,637.0 | 44,780.2 | 1,250.1 | 2.9 |
| Total | $ 1,681,772.1 | $ 1,809,767.3 | $ 1,756,623.3 | $ 74,851.2 | 4.5 % |
| Source of Appropriated Funds | | | | | |
| General Funds | $ 1,214,008.3 | $ 1,332,834.4 | $ 1,268,546.0 | $ 54,537.7 | 4.5 % |
| General Revenue Fund | 1,111,212.5 | 1,225,926.7 | 1,161,638.3 | 50,425.8 | 4.5 |
| Education Assistance Fund | 102,795.8 | 106,907.7 | 106,907.7 | 4,111.9 | 4.0 |
| Other | 1,284.1 | 1,284.1 | 1,284.1 | - | - |
| Source of Non-Appropriated Funds | | | | | |
| Universities Income Fund * | $ 466,479.7 | $ 475,648.8 | $ 486,793.2 | $ 20,313.5 | 4.4 % |

* University income funds are non-appropriated funds held locally by each university.

Note: Fiscal year 1998 appropriations and fiscal year 1999 requests and recommendations reflect the elimination of the Agricultural Premium Fund with a corresponding increase in General Revenue Funds.



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Table III - 2

FY1999 RECOMMENDATIONS
UNIVERSITIES OPERATIONS AND GRANTS
GENERAL FUNDS

(in thousa 's of dollars)

| Resource Requirements | FY1998 Appropriation | FY1999 Requests | FY1999 Recommendation | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Chicago State University | $ 34,110.8 | $ 41,741.3 | $ 36,140.6 | $ 2,029.8 | 6.0 % |
| Eastern Illinois University | 41,870.4 | 46,246.2 | 44,707.8 | 2,837.4 | 6.8 |
| Governors State University | 21,990.1 | 25,212.6 | 23,294.7 | 1,304.6 | 5.9 |
| Illinois State University | 75,540.1 | 80,637.7 | 79,024.8 | 3,484.7 | 4.6 |
| Northeastern Illinois University | 36,024.1 | 37,259.3 | 38,189.0 | 2,164.9 | 6.0 |
| Northern Illinois University | 96,971.1 | 113,157.7 | 101,009.8 | 4,038.7 | 4.2 |
| Western Illinois University | 52,442.7 | 57,736.3 | 54,859.5 | 2,416.8 | 4.6 |
| Southern Illinois University | 199,503.4 | 218,135.1 | 208,753.9 | 9,250.5 | 4.6 |
| Carbondale | 140,070.1 | 153,883.8 | 146,340.3 | 6,270.2 | 4.5 |
| Edwardsville | 57,655.4 | 62,392.0 | 60,595.5 | 2,940.1 | 5.1 |
| University Administration | 1,777.9 | 1,859.3 | 1,818.1 | 40.2 | 2.3 |
| University of Illinois | 655,555.6 | 712,708.2 | 682,565.9 | 27,010.3 | 4.1 |
| Chicago | 308,675.9 | 332,231.6 | 321,677.0 | 13,001.1 | 4.2 |
| Springfield | 19,302.7 | 21,624.4 | 20,287.9 | 985.2 | 5.1 |
| Urbana-Champaign | 285,041.0 | 314,209.3 | 296,814.9 | 11,773.9 | 4.1 |
| University Administration | 42,536.0 | 44,642.9 | 43,786.1 | 1,250.1 | 2.9 |
| Total | $ 1,214,008.3 | $ 1,332,834.4 | $ 1,268,546.0 | $ 54,537.7 | 4.5 % |

Note: Fiscal year 1998 appropriations and fiscal year 1999 requests and recommendations reflect the elinimation of the Agricultural Premium Fund with a corresponding increase in General Revenue Funds.

Table III - 3
FY1999 RECOMMENDATIONS
UNIVERSITIES INCOME FUNDS

(in thousands of dollars)

| | Fiscal Year 1998 | | | FY1999 | Increase | Percent Increase |
|---|---|---|---|---|---|---|
| | Governor's Action | Institutional Adjustments | Institutional Budget | Available Income Funds | Over FY1998 | Over FY1998 |
| Chicago State University | $ 13,709.3 | - | $ 13,709.3 | $ 13,353.4 | $ (355.9) | (2.6) % |
| Eastern Illinois University | 22,344.9 | - | 22,344.9 | 23,709.7 | 1,364.8 | 6.1 |
| Governors State University | 9,400.0 | - | 9,400.0 | 9,729.2 | 329.2 | 3.5 |
| Illinois State University | 45,580.0 | $ 1,000.1 | 46,580.1 | 48,723.5 | 2,143.4 | 4.6 |
| Northeastern Illinois University | 15,241.1 | - | 15,241.1 | 17,432.4 | 2,191.3 | 14.4 |
| Northern Illinois University | 46,944.7 | - | 46,944.7 | 47,890.8 | 946.1 | 2.0 |
| Western Illinois University | 21,996.1 | - | 21,996.1 | 22,916.5 | 920.4 | 4.2 |
| Southern Illinois University | 80,164.2 | 1,224.8 | 81,389.0 | 84,115.2 | 2,726.2 | 3.3 |
| Carbondale | 58,908.4 | 952.8 | 59,861.2 | 61,626.1 | 1,764.9 | 2.9 |
| Edwardsville | 21,255.8 | 272.0 | 21,527.8 | 22,489.1 | 961.3 | 4.5 |
| University of Illinois | 208,874.5 | - | 208,874.5 | 218,922.5 | 10,048.0 | 4.8 |
| Chicago | 75,125.6 | - | 75,125.6 | 78,252.5 | 3,126.9 | 4.2 |
| Springfield | 6,065.3 | - | 6,065.3 | 7,079.9 | 1,014.6 | 16.7 |
| Urbana-Champaign | 127,683.6 | - | 127,683.6 | 133,590.1 | 5,906.5 | 4.6 |
| Total | $ 464,254.8 | $ 2,224.9 | $ 466,479.7 | $ 486,793.2 | $ 20,313.5 | 4.4 % |

Table III - 4

FY1999 RECOMMENDATIONS
UNIVERSITIES OPERATIONS AND GRANTS
SOURCES OF FUNDS

| (in thousands of dollars) Resource Requirements | General Revenue Fund | Education Assistance Fund | Universities Income Fund * | Other Appropriated Funds | Total |
|---|---|---|---|---|---|
| Chicago State University | $ 35,830.4 | $ 310.2 | $ 13,353.4 | - | $ 49,494.0 |
| Eastern Illinois University | 40,693.5 | 4,014.3 | 23,709.7 | - | 68,417.5 |
| Governors State University | 20,490.9 | 2,803.8 | 9,729.2 | - | 33,023.9 |
| Illinois State University | 69,603.3 | 9,421.5 | 48,723.5 | - | 127,748.3 |
| Northeastern Illinois University | 34,443.4 | 3,745.6 | 17,432.4 | - | 55,621.4 |
| Northern Illinois University | 88,754.4 | 12,255.4 | 47,890.8 | - | 148,900.6 |
| Western Illinois University | 48,924.4 | 5,935.1 | 22,916.5 | - | 77,776.0 |
| Southern Illinois University | 188,796.4 | 19,957.5 | 84,115.2 | - | 292,869.1 |
| Carbondale | 132,951.8 | 13,388.5 | 61,626.1 | - | 207,966.4 |
| Edwardsville | 54,089.6 | 6,505.9 | 22,489.1 | - | 83,084.6 |
| University Administration | 1,755.0 | 63.1 | - | - | 1,818.1 |
| University of Illinois | 634,101.6 | 48,464.3 | 218,922.5 | $ 1,284.1 | 902,772.5 |
| Chicago | 301,931.2 | 19,745.8 | 78,252.5 | - | 399,929.5 |
| Springfield | 17,462.9 | 2,825.0 | 7,079.9 | - | 27,367.8 |
| Urbana-Champaign | 273,196.1 | 23,618.8 | 133,590.1 | 290.0 | 430,695.0 |
| University Administration | 41,511.4 | 2,274.7 | - | 994.1 | 44,780.2 |
| Total | $ 1,161,638.3 | $ 106,907.7 | $ 486,793.2 | $ 1,284.1 | $ 1,756,623.3 |

* University income funds are non-appropriated funds, held locally by each university.

Note: Sources of funds reflect the elimination of the Agricultural Premium Fund and the corresponding increase in General Revenue Funds.



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ALL UNIVERSITIES

FY1999 Recommendations
(in thousands of dollars)

| | | |
|---|---|---|
| **Resource Requirements** | | |
| FY1998 Resource Requirements | | $ 1,681,772.1 |
| Technology Enhancements | $ 6,665.0 | |
| Improvement of Undergraduate Education | 11,011.5 | |
| Workforce Preparation | 5,618.8 | |
| Other University Program Priorities | 7,542.7 | |
| Operation and Maintenance of Buildings | 1,411.5 | |
| Deferred Maintenance | 4,090.0 | |
| Cost Recovery Adjustment | 530.0 | |
| ISAC Offset Adjustment | (430.1) | |
| Tuition Waiver Adjustment | (401.9) | |
| Income Fund Resource Adjustment | (1,697.6) | |
| Library Increase | 2,927.9 | |
| Compensation Increase | 37,583.4 | |
| FY1999 Recommendation | | $ 1,756,623.3 |
| **Sources of Funds** | | |
| General Revenue Fund | 1,161,638.3 | |
| Education Assistance Fund | 106,907.7 | |
| University Income Fund | 486,793.2 | |
| Fire Prevention Fund | 994.1 | |
| Real Estate Research and Education Fund | 290.0 | |
| Total Funds | | $ 1,756,623.3 |

CHICAGO STATE UNIVERSITY

FY1999 Recommendations
(in thousands of dollars)

Resource Requirements

| | | |
|---|---|---|
| FY1998 Resource Requirements | | $ 47,820.1 |
| Masters in Social Work | $ 250.0 | |
| Retaining Critical Faculty and Staff | 175.0 | |
| Instructional Programs - Technology | 426.0 | |
| Retention Initiatives and Faculty | 250.0 | |
| Deferred Maintenance | 195.0 | |
| Tuition Waiver Adjustment | (14.1) | |
| Income Fund Resource Adjustment | (767.2) | |
| Library Increase | 50.5 | |
| Compensation Increase | 1,108.7 | |
| FY1999 Recommendation | | $ 49,494.0 |

Sources of Funds

| | |
|---|---|
| General Revenue Fund | 35,830.4 |
| Education Assistance Fund | 310.2 |
| University Income Fund | 13,353.4 |
| Total Funds | $ 49,494.0 |

3.

EASTERN ILLINOIS UNIVERSITY

FY1999 Recommendations
(in thousands of dollars)

| | | |
|---|---|---|
| **Resource Requirements** | | |
| FY1998 Resource Requirements | | $ 64,215.3 |
| Academic Base Support | $ 1,094.5 | |
| Retaining Critical Faculty and Staff | 784.8 | |
| Technology Enhancements and Replacement | 415.5 | |
| Deferred Maintenance | 365.0 | |
| ISAC Offset Adjustment | (36.6) | |
| Library Increase | 99.2 | |
| Compensation Increase | 1,479.8 | |
| FY1999 Recommendation | | $ 68,417.5 |
| **Sources of Funds** | | |
| General Revenue Fund | 40,693.5 | |
| Education Assistance Fund | 4,014.3 | |
| University Income Fund | 23,709.7 | |
| Total Funds | | $ 68,417.5 |

GOVERNORS STATE UNIVERSITY

FY1999 Recommendations
(in thousands of dollars)

| | | |
|---|---|---|
| **Resource Requirements** | | |
| FY1998 Resource Requirements | | $ 31,390.1 |
| Early Childhood Degree Programs | $ 134.5 | |
| Institutional Support - Carryover Reserve | 59.4 | |
| Master of Social Work | 150.0 | |
| Articulation | 50.0 | |
| Technology for Students | 293.4 | |
| Operation and Maintenance for New Area - Gross Anatomy Laboratory | 16.9 | |
| Deferred Maintenance | 185.0 | |
| Library Increase | 60.7 | |
| Compensation Increase | 683.9 | |
| FY1999 Recommendation | | $ 33,023.9 |
| **Sources of Funds** | | |
| General Revenue Fund | 20,490.9 | |
| Education Assistance Fund | 2,803.8 | |
| University Income Fund | 9,729.2 | |
| Total Funds | | $ 33,023.9 |

ILLINOIS STATE UNIVERSITY

FY1999 Recommendations
(in thousands of dollars)

| | | |
|---|---|---|
| **Resource Requirements** | | |
| FY1998 Resource Requirements | | $ 122,120.2 |
| Undergraduate Experience | $ 400.0 | |
| Institutional Support - Utilities Support | 228.8 | |
| Institutional Support - Carryover Reserve | 396.3 | |
| Integrate Technology in the Academic Experience | 365.0 | |
| Teacher Education | 400.0 | |
| Retaining Critical Faculty and Staff | 667.5 | |
| Facility Repair and Restoration | 305.0 | |
| ISAC Offset Adjustment | (31.1) | |
| Library Increase | 252.5 | |
| Compensation Increase | 2,644.1 | |
| FY1999 Recommendation | | $ 127,748.3 |
| **Sources of Funds** | | |
| General Revenue Fund | 69,603.3 | |
| Education Assistance Fund | 9,421.5 | |
| University Income Fund | 48,723.5 | |
| Total Funds | | $ 127,748.3 |

NORTHEASTERN ILLINOIS UNIVERSITY

FY1999 Recommendations
(in thousands of dollars)

| | | |
|---|---|---|
| **Resource Requirements** | | |
| FY1998 Resource Requirements | | $ 51,265.2 |
| Instructional Staffing | $ 210.0 | |
| Institutional Support | 165.2 | |
| Instructional Support - Technology | 385.9 | |
| Instructional Support - Undergraduate Education | 100.0 | |
| Instructional Support - Lake County | 100.0 | |
| Instructional Support - Northside | 149.4 | |
| Retaining Critical Faculty and Staff | 1,419.5 | |
| Operation and Maintenance - Fine Arts Center | 461.1 | |
| Operation REPAIR | 205.0 | |
| ISAC Offset Adjustment | (50.0) | |
| Library Increase | 82.8 | |
| Compensation Increase | 1,127.3 | |
| FY1999 Recommendation | | $ 55,621.4 |
| **Sources of Funds** | | |
| General Revenue Fund | 34,443.4 | |
| Education Assistance Fund | 3,745.6 | |
| University Income Fund | 17,432.4 | |
| Total Funds | | $ 55,621.4 |

NORTHERN ILLINOIS UNIVERSITY

FY1999 Recommendations
(in thousands of dollars)

Resource Requirements

| | | |
|---|---|---|
| FY1998 Resource Requirements | | $ 143,915.8 |
| Teacher Education Innovations | $ 200.0 | |
| Retaining Critical Faculty and Staff | 750.0 | |
| Improvement of Undergraduate Education | 500.0 | |
| Technology | 372.0 | |
| Workforce Development | 75.0 | |
| Computer Systems/Software Updates | 100.0 | |
| Deferred Maintenance | 275.0 | |
| Tuition Waiver Adjustment | (360.8) | |
| Income Fund Resource Adjustment | (462.2) | |
| Library Increase | 330.4 | |
| Compensation Increase | 3,205.4 | |
| FY1999 Recommendation | | $ 148,900.6 |

Sources of Funds

| | |
|---|---|
| General Revenue Fund | 88,754.4 |
| Education Assistance Fund | 12,255.4 |
| University Income Fund | 47,890.8 |
| Total Funds | $ 148,900.6 |

WESTERN ILLINOIS UNIVERSITY

FY1999 Recommendations
(in thousands of dollars)

| | | |
|---|---|---|
| **Resource Requirements** | | |
| FY1998 Resource Requirements | | $ 74,438.8 |
| Application of Student and Faculty Expertise to Problems in Rural Areas | $ 300.0 | |
| Retaining Critical Faculty and Staff | 100.5 | |
| Classroom Equipment | 552.8 | |
| General Education Mathematics Laboratory | 150.0 | |
| Deferred Maintenance | 425.0 | |
| Library Increase | 118.4 | |
| Compensation Increase | 1,690.5 | |
| FY1999 Recommendation | | $ 77,776.0 |
| **Sources of Funds** | | |
| General Revenue Fund | 48,924.4 | |
| Education Assistance Fund | 5,935.1 | |
| University Income Fund | 22,916.5 | |
| Total Funds | | $ 77,776.0 |

SOUTHERN ILLINOIS UNIVERSITY
UNIVERSITY TOTAL

FY1999 Recommendations
(in thousands of dollars)

| | | |
|---|---|---|
| **Resource Requirements** | | |
| FY1998 Resource Requirements | | $ 280,892.4 |
| Technology Enhancements | $ 980.1 | |
| Improvement of Undergraduate Education | 1,407.6 | |
| Workforce Preparation | 1,035.2 | |
| Other University Program Priorities | 1,072.8 | |
| Deferred Maintenance | 760.0 | |
| Cost Recovery Adjustment | 530.0 | |
| ISAC Offset Adjustment | (0.6) | |
| Income Fund Resource Adjustment | (468.2) | |
| Library Increase | 670.1 | |
| Compensation Increase | 5,989.7 | |
| FY1999 Recommendation | | $ 292,869.1 |
| **Sources of Funds** | | |
| General Revenue Fund | 188,796.4 | |
| Education Assistance Fund | 19,957.5 | |
| University Income Fund | 84,115.2 | |
| Total Funds | | $ 292,869.1 |

SOUTHERN ILLINOIS UNIVERSITY
CARBONDALE

FY1999 Recommendations
(in thousands of dollars)

Resource Requirements

| | | |
|---|---|---|
| FY1998 Resource Requirements | | $ 199,931.3 |
| Retaining Critical Faculty and Staff | $ 550.0 | |
| Instructional Support - Undergraduate Education | 1,575.1 | |
| Baccalaureate Degree Programs in the College of Applied Sciences and Arts | 200.0 | |
| Rural Primary Education (School of Medicine) | 182.8 | |
| Need Based Scholarships (School of Medicine) | 50.0 | |
| Regional Health Information and Educational Network Service (School of Medicine) | 100.0 | |
| Deferred Maintenance | 525.0 | |
| Cost Recovery Adjustment | 530.0 | |
| Income Fund Resource Adjustment | (468.2) | |
| Library Increase | 551.8 | |
| Compensation Increase | 4,238.6 | |
| FY1999 Recommendation | | $ 207,966.4 |

Sources of Funds

| | |
|---|---|
| General Revenue Fund | 132,951.8 |
| Education Assistance Fund | 13,388.5 |
| University Income Fund | 61,626.1 |
| Total Funds | $ 207,966.4 |

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SOUTHERN ILLINOIS UNIVERSITY
EDWARDSVILLE

FY1999 Recommendations
(in thousands of dollars)

Resource Requirements

| | | |
|---|---|---|
| FY1998 Resource Requirements | | $ 79,183.2 |
| Masters of Science in Mechanical Engineering | $ 245.4 | |
| Institutional Support - Carryover Reserve | 472.8 | |
| Enhancement of Nursing Off-Campus Programs | 125.0 | |
| Professional Development Schools | 100.0 | |
| Technologically Delivered Education | 512.6 | |
| Deferred Maintenance | 235.0 | |
| Enhancement of Undergraduate Education | 200.0 | |
| Enhancement of Dental Medicine Program | 182.0 | |
| ISAC Offset Adjustment | (0.6) | |
| Library Increase | 118.3 | |
| Compensation Increase | 1,710.9 | |
| FY1999 Recommendation | | $ 83,084.6 |

Sources of Funds

| | |
|---|---|
| General Revenue Fund | 54,089.6 |
| Education Assistance Fund | 6,505.9 |
| University Income Fund | 22,489.1 |
| Total Funds | $ 83,084.6 |

SOUTHERN ILLINOIS UNIVERSITY
UNIVERSITY ADMINISTRATION

FY1999 Recommendations
(in thousands of dollars)

| | | |
|---|---|---|
| **Resource Requirements** | | |
| FY1998 Resource Requirements | | $ 1,777.9 |
| Compensation Increase | $ 40.2 | |
| FY1999 Recommendation | | $ 1,818.1 |
| **Sources of Funds** | | |
| General Revenue Fund | 1,755.0 | |
| Education Assistance Fund | 63.1 | |
| Total Funds | | $ 1,818.1 |

UNIVERSITY OF ILLINOIS
UNIVERSITY TOTAL

FY1999 Recommendations
(in thousands of dollars)

Resource Requirements

| | | |
|---|---|---|
| FY1998 Resource Requirements | | $ 865,714.2 |
| Technology Enhancements | $ 3,024.3 | |
| Improvement of Undergraduate Education | 6,700.0 | |
| Workforce Preparation | 3,349.1 | |
| Other University Program Priorities | 1,326.7 | |
| Operation and Maintenance for New Areas | 704.7 | |
| Deferred Maintenance | 1,375.0 | |
| ISAC Offset Adjustment | (311.8) | |
| Tuition Waiver Adjustment | (27.0) | |
| Library Increase | 1,263.3 | |
| Compensation Increase | 19,654.0 | |
| FY1999 Recommendation | | $ 902,772.5 |

Sources of Funds

| | |
|---|---|
| General Revenue Fund | 634,101.6 |
| Education Assistance Fund | 48,464.3 |
| University Income Fund | 218,922.5 |
| Fire Prevention Fund | 994.1 |
| Real Estate Research and Education Fund | 290.0 |
| Total Funds | $ 902,772.5 |

UNIVERSITY OF ILLINOIS
CHICAGO

FY1999 Recommendations
(in thousands of dollars)

Resource Requirements

| | | | |
|---|---|---|---|
| FY1998 Resource Requirements | | | $ 383,801.5 |
| Strengthening the Academic Base - Undergraduate Education | | $ 3,500.0 | |
| Strengthening the Academic Base - Graduate Education and Research | | 800.0 | |
| Professional Programs Tuition Initiatives | | 873.1 | |
| Investing in Instructional Technology | | 600.3 | |
| Increased Links to the State | | 400.0 | |
| Operation and Maintenance for New Areas | | 284.0 | |
| Campus Service Facility | $ 85.0 | | |
| Student Services Building | 149.0 | | |
| Transportation Facility | 50.0 | | |
| Facilities Renovation Support | | 565.0 | |
| ISAC Offset Adjustment | | (67.2) | |
| Library Increase | | 488.2 | |
| Compensation Increase | | 8,684.6 | |
| FY1999 Recommendation | | | $ 399,929.5 |

Sources of Funds

| | |
|---|---|
| General Revenue Fund | 301,931.2 |
| Education Assistance Fund | 19,745.8 |
| University Income Fund | 78,252.5 |
| Total Funds | $ 399,929.5 |

UNIVERSITY OF ILLINOIS
SPRINGFIELD

FY1999 Recommendations
(in thousands of dollars)

| | | |
|---|---|---|
| **Resource Requirements** | | |
| FY1998 Resource Requirements | | $ 25,368.0 |
| Strengthening the Academic Base - Faculty Base | $ 200.0 | |
| Graduate Student Stipends | 60.0 | |
| Investing in Instructional Technology | 949.4 | |
| Operational Infrastructure | 66.7 | |
| Facilities Renovation Support | 95.0 | |
| ISAC Offset Adjustment | (8.2) | |
| Tuition Waiver Adjustment | (27.0) | |
| Library Increase | 76.4 | |
| Compensation Increase | 587.5 | |
| FY1999 Recommendation | | $ 27,367.8 |
| **Sources of Funds** | | |
| General Revenue Fund | 17,462.9 | |
| Education Assistance Fund | 2,825.0 | |
| University Income Fund | 7,079.9 | |
| Total Funds | | $ 27,367.8 |

UNIVERSITY OF ILLINOIS
URBANA/CHAMPAIGN

FY1999 Recommendations
(in thousands of dollars)

Resource Requirements

| | | | |
|---|---|---|---|
| FY1998 Resource Requirements | | | $ 413,014.6 |
| Strengthening the Academic Base | | $ 3,000.0 | |
| Professional Programs Tuition Initiatives | | 2,076.0 | |
| Investing in Instructional Technology | | 624.6 | |
| Increased Links to the State - College of Education Partnerships | | 400.0 | |
| Facilities Renovation Support | | 715.0 | |
| Operation and Maintenance for New Areas | | 420.7 | |
| Arcade Building | $ 99.0 | | |
| Biomedical Magnetic Resonance Laboratory | 13.8 | | |
| Japan House | 9.9 | | |
| Office of Admissions and Records | 78.8 | | |
| WILL Broadcasting and Teaching Facility | 219.2 | | |
| Technology Initiatives - Cooperative Extension Service | | 600.0 | |
| ISAC Offset Adjustment | | (236.4) | |
| Library Increase | | 698.7 | |
| Compensation Increase | | 9,381.8 | |
| FY1999 Recommendation | | | $ 430,695.0 |

Sources of Funds

| | |
|---|---|
| General Revenue Fund | 273,196.1 |
| Education Assistance Fund | 23,618.8 |
| University Income Fund | 133,590.1 |
| Real Estate Research and Education Fund | 290.0 |
| Total Funds | $ 430,695.0 |

UNIVERSITY OF ILLINOIS
UNIVERSITY ADMINISTRATION

FY1999 Recommendations
(in thousands of dollars)

| | | |
|---|---|---|
| **Resource Requirements** | | |
| FY1998 Resource Requirements | | $ 43,530.1 |
| UI Online | $ 250.0 | |
| Compensation Increase | 1,000.1 | |
| FY1999 Recommendation | | $ 44,780.2 |
| **Sources of Funds** | | |
| General Revenue Fund | 41,511.4 | |
| Education Assistance Fund | 2,274.7 | |
| Fire Prevention Fund | 994.1 | |
| Total Funds | | $ 44,780.2 |

## IV. COMMUNITY COLLEGES

Preparing for the 21st century requires that higher education be innovative and responsive in meeting the very diverse and changing needs of Illinois' citizens. Illinois community colleges have shown the commitment and ability in meeting these challenges and are prepared to do so into the 21st century. Every area of the state is included in a community college district governed by a Board of Trustees that is dedicated to assuring that the college provides the important services requested by district residents. The local community colleges also are an integral component of the statewide system of higher education that assures that each Illinois resident, regardless of location, has access to the educational services necessary for that citizen to reach his/her educational goals. The establishment of locally governed Illinois community colleges, an achievement of the Board of Higher Education's *Master Plan Policies for Illinois Higher Education*, continues to be a national model for local and state accountability, quality programs, innovation, and cost effectiveness.

These recommendations, which support the statewide program initiatives identified for all of higher education and specific priorities identified by Illinois community college leadership, are shown on Table IV-1. The recommendations focus on statewide initiatives to integrate technology and teaching and learning, better prepare Illinois' workforce, strengthen the quality of undergraduate education, improve student access and affordability, and protect campus facilities from deterioration. Priority also is given to strengthening the academic base for districts that, because of a below average tax base, are unable to generate sufficient local tax revenue to support high quality instructional programs. Specific program priorities are discussed in later sections.

Funds are recommended for average compensation increases of 3.0 percent, the same decision rule used for public universities and higher education agencies, and a 10.0 percent increase for library materials. Specific compensation and budget decisions made by individual community college districts will vary from the standards used in these recommendations based on local priorities, reallocations, and available revenues.

These recommendations also reflect the implementation of Public Act 88-0593 which revised the minimum annual state contribution to the State Universities Retirement System to an amount that, when added to other sources of employer contributions, is sufficient to meet the normal cost of maintaining the System and to increase the System funding ratio to 90 percent over the next 50 years. These recommendations fully fund the statutory requirements of the State Universities Retirement System for fiscal year 1999 and include an increase for the System of $13.8 million, or 6.8 percent.

### The Community College Funding Plan

Under the community college funding plan included in the Board of Higher Education's *Master Plan Policies for Illinois Higher Education*, annual budget recommendations are based on actual instructional costs in six instructional categories and historical enrollments. These instructional costs are then adjusted to reflect salary and cost increases for the current fiscal year, recommended salary and cost increases for the budget year, and programmatic initiatives for the budgeted fiscal year to determine the total resource requirements. Nonstate revenues, including local tax revenue and tuition which are locally held, are subtracted from these resource requirements to determine the state funding requirements.

In January 1995, the Illinois Community College Board established the System Funding Task Force to review the funding principles and concepts outlined in the President's Council Report



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entitled, *Operational Funding of Community Colleges in Illinois: A New Look*. The Task Force presented its report, *Report of the System Funding Task Force*, to the Illinois Community College Board in September 1996. The report was endorsed by the Illinois Community College Board. The fiscal year 1999 request submitted for the community college system was based on the recommendations included in the Task Force report. These recommendations include funding formula changes requested by the community college system and are described in later sections.

In January 1997, the Illinois Community College Board convened the Performance-Based Funding Advisory Committee to conduct research on performance-based funding alternatives for community colleges, to recommend strategies and activities to the Illinois Community College Board to build consensus about performance-based funding, and to implement a performance-based pilot project in fiscal year 1999. The Committee is focusing on performance measures to reward and improve teaching and learning in the community college system. Funding is included in these recommendations to support those efforts.

The fiscal year 1999 resource requirements included in these recommendations support apportionment enrollments of 196,466 full-time-equivalent students, a decrease of 2,811 students, or 1.4 percent. Table IV-2 provides the calculations used to determine the fiscal year 1999 resource requirements. The community college funding plan requires the inclusion of nonstate revenues as sources of funding for community college resource requirements. Table IV-3 provides a summary of estimated fiscal year 1999 revenues, and Table IV-4 provides supporting calculations for local tax and tuition and fee revenue estimates. Table IV-5 provides the calculation of Credit Hour Grants by category. Table IV-6 details recommended grant allocations, by district, as calculated by Board of Higher Education staff. The actual distribution of grant funds to colleges is determined by the Illinois Community College Board per state statute. The fiscal year 1999 recommendations for these grants are described below.

**Credit Hour Grants**

A total of $172.8 million is recommended for Credit Hour Grants, an increase of $3.6 million, or 2.2 percent. This recommendation provides an increase in the average credit hour grant rate from $28.30 to $29.32, an increase of $1.02, or 3.6 percent.

Credit Hour Grants are distributed on the basis of fiscal year 1997 instructional costs per credit hour in six categories of instruction, adjusted to reflect the cost and salary increases for fiscal year 1998 and budgeted cost increases for fiscal year 1999, including a 3.0 percent compensation increase and a 10.0 percent library materials increase. These recommendations also include additions to community colleges' resource requirements of $3.0 million for improvements in integrating technology and teaching and learning in the classroom, $3.0 million for faculty and staff development, and $6.0 million in rate support for Remedial and Adult Basic and Adult Secondary Education enrollments. Resource requirements are funded through a combination of local property tax revenues, student tuition and fees, state grant funding, and other sources.

Credit Hour Grants and Square Footage Grants, described below, represent over 60 percent of the state funded grants provided through the Illinois Community College Board to local community colleges. Funds provided through these two grant programs are used to address program priorities as determined by each local district. The flexibility of these grant programs and use of these funds to respond to locally determined priorities is an important component of these recommendations.

**Square Footage Grants**

Certain costs incurred by the community colleges do not vary by credit hour but are more closely linked to the physical size of the campus. The Illinois Community College Board requested and these recommendation support a reallocation from Credit Hour Grants to a new grant program, Square Footage Grants, to allocate unrestricted funds to districts based on the square footage of the campus facilities. A total of $2.0 million is reallocated from Credit Hour Grants to support the new Square Footage Grants program.

**Workforce Preparation Grants**

A total of $13.5 million is recommended for Workforce Preparation Grants, an increase of $1.4 million, or 11.6 percent. The recommendations recognize the high priority placed on workforce preparation initiatives by community college leadership and include changes in funding formulas as requested by the Illinois Community College Board. The recommendation for Workforce Preparation Grants consists of three initiatives: business and industry services, education-to-careers, and welfare-to-work programs.

**Business and Industry Services**. This recommendation totals $5.7 million, an increase of $400,000, or 7.6 percent, over fiscal year 1998. The recommendation provides a basic grant of $60,000 per district, an increase of $10,000 over the fiscal year 1998 basic grant of $50,000, to support a business and industry center on each college campus. An additional $3.3 million are allocated on the basis of business, technical, and health occupational credit hours. These funds will be used to support employment training and business and industry services and to develop a data base of business and industry services at each college.

**Education-to-Careers Programs**. This recommendation totals $4.7 million and provides a basic allocation of $100,000 per district with an additional $725,000 allocated based on each district's labor force, unemployment rate, and welfare caseload. These funds will be used to establish partnerships with local schools, businesses, and employment and training agencies to facilitate education transitions.

**Welfare-to-Work**. This recommendation totals $3.1 million for a new grant program that will supplement existing federal funds and expand the Opportunities Program to provide employment training and job placement assistance services to welfare clients at all community colleges. Welfare-to-Work Grants will be allocated with a basic grant of $60,000 per district with the remaining funds of $700,000 allocated based on the number of welfare caseloads. This program replaces the Student Support Services Grants funded in fiscal year 1998.

**Special Populations Grants**

Funds totaling $12.3 million are recommended for Special Populations Grants, the same level as appropriated in fiscal year 1998. These grants support districts in their efforts to increase the access, retention, and graduation of underrepresented populations, particularly minorities. Each district is required to prepare an annual report of the results of the district's program. These recommendations provide a basic grant of $20,000 per college with the remaining funds allocated to districts based on the number of Remedial and Adult Basic and Adult Secondary Education credit hours.

**Advanced Technology Equipment Grants**

The recommendations for Advanced Technology Equipment Grants total $10.3 million, an increase of $650,000, or 6.8 percent, above fiscal year 1998 appropriations. The grants include two components as described below.

**Equipment**. The recommendation for these grants totals $5.0 million, an increase of $275,000, or 5.8 percent, above fiscal year 1998 grants. These grants will be allocated to community college districts on the basis of business, technical, and health occupational credit hours and will be used to purchase state-of-the-art instructional equipment.

**Technology Support**. This recommendation totals $5.3 million, an increase of $375,000, or 7.7 percent, above fiscal year 1998 appropriations. These grants include a basic allocation of $75,000 per district with the remaining $2.3 million allocated based on three factors: district size, the number of telecommunications market service areas in the district based on regional consortia data, and the annual number of headcount students served in each district. Grant funds will be used for equipment and computer laboratory upgrades, as well as technology infrastructure, transmission, and maintenance costs.

**Retirees Health Insurance Grants**

Funds are recommended for this restricted grant program to provide financial support to districts for health insurance premiums for retired community college employees. The recommendation of $2.9 million, the same level as appropriated in fiscal year 1998, will continue to be distributed based on the number of retirees certified by the State Universities Retirement System. This funding level will provide grants of approximately $639 per retiree.

**Staff Technical Skills Enhancement Grants**

These recommendations include $2.0 million for a new grant program to expand technological expertise across all areas of campus operations. Faculty and staff will receive training in all areas of technology with a focus on distance learning technologies. Grant funds will be distributed based on the number of full-time-equivalent faculty and staff at each district.

**Deferred Maintenance Grants**

A total of $2.1 million, an increase of $100,000, or 5.0 percent, is to provide operating grants to community colleges to address the backlog of maintenance projects. Grants will be allocated to each district based on a quartile ranking of gross square footage per college, with colleges in the first quartile receiving $35,200, the second receiving $40,200, the third receiving $45,200, and the fourth receiving $50,200.

**Equalization Grants**

These recommendations provide funds to supplement local tax revenues and achieve a minimum statewide average local tax revenue per student. Addressing the variation in local property tax wealth among the districts and assuring a base level of financial support per student continues to be a high priority in the development of budget recommendations. Differences in local tax wealth are addressed in these recommendations through the funding of Equalization Grants.

These grants are provided to districts in which local property tax revenue per student is below the statewide average.

Based on statewide averages, districts should receive $2,193 in local tax revenue per full-time-equivalent student in fiscal year 1999. However, due to variations in local tax wealth among districts, local revenue available per student varies from $518 per student at Southeastern Illinois College to $5,293 per student at Oakton Community College, a difference of $4,775 per student. Funding to bring each district up to the statewide average of $2,193 in local tax revenue per student requires $78.7 million. A total of $62.4 million is recommended for Equalization Grants, an increase of $4.0 million, or 6.8 percent, above fiscal year 1998 appropriations. These recommendations include funds to bring each district with below average local revenue per student up to a total of $2,045 per student, 93.25 percent of the statewide average. Included in total Equalization grants are $100,000 for grants of $50,000 each to two districts that have below average tax wealth per student but do not qualify for regular equalization funding because the district's equalization threshold, while below the state calculated threshold, is above the prorated threshold level. In addition, Equalization grants include $53,067 for an Adverse Court Decision Grant for Sauk Valley Community College as a result of a court decision that, in effect, reduced its equalized assessed valuation for fiscal years 1996, 1997 and 1998.

**Small College Grants**

The recommendations include $1.9 million allocated to 16 districts with enrollments of less than 2,500 full-time-equivalent students. The Illinois Community College Board identified these districts as less able than larger districts to fund certain fixed institutional costs. Each district will receive a grant of $120,000.

**Other Grants**

The recommendations include support for two new initiatives. A total of $1.0 million is recommended to implement the pilot phase of the Performance Funding Initiative recommended by the Performance-Based Funding Advisory Committee. Funds will be allocated to colleges based on performance measures designed to improve teaching and learning. A total of $250,000 is recommended to support demonstration projects showing the most effective ways of teaching leadership and core values to all community college students. A total of $175,000, an increase of $25,000, or 16.7 percent, above fiscal year 1998 appropriations, is recommended for the Lincoln's Challenge Scholarships. These funds are used to provide scholarships to graduates of the Lincoln Challenge Program for at-risk youth who chose to attend a community college.

**Illinois Community College Board**

A total of $2.1 million is recommended for Illinois Community College Board office, an increase of $229,000, or 12.4 percent. The recommendation includes funds for staff compensation increases averaging 3.0 percent and $199,100 for technology enhancements, staffing and office support. Illinois Community College Board operations also include $25,000 for the Illinois Occupational Information Coordinating Council.

Table IV - 1

FY1999 RECOMMENDATIONS
COMMUNITY COLLEGE OPERATIONS AND GRANTS

(in thousands of dollars)

| Resource Requirements | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Grants to All Colleges | $ 208,042.6 | $ 221,843.5 | $ 217,835.6 | $ 9,793.0 | 4.7 % |
| Credit Hour Grants | 169,167.6 | 174,904.5 | 172,810.6 | 3,643.0 | 2.2 |
| Square Footage Grants | - | 2,114.0 | 2,000.0 | 2,000.0 | - |
| Workforce Preparation Grants | 12,075.0 | 14,775.0 | 13,475.0 | 1,400.0 | 11.6 |
| Business/Industry Grants | 5,250.0 | 5,650.0 | 5,650.0 | 400.0 | 7.6 |
| Education to Careers Grants | 4,725.0 | 4,725.0 | 4,725.0 | - | - |
| Student Support Services Grants | 2,100.0 | - | - | (2,100.0) | (100.0) |
| Welfare to Work | - | 4,400.0 | 3,100.0 | 3,100.0 | - |
| Special Populations Grants | 12,300.0 | 12,800.0 | 12,300.0 | - | - |
| Advanced Technology Grants | 9,600.0 | 10,250.0 | 10,250.0 | 650.0 | 6.8 |
| Equipment Grants | 4,725.0 | 5,000.0 | 5,000.0 | 275.0 | 5.8 |
| Technology Grants | 4,875.0 | 5,250.0 | 5,250.0 | 375.0 | 7.7 |
| Retirees Health Insurance Grants | 2,900.0 | 2,900.0 | 2,900.0 | - | - |
| Staff Technical Skills Enhancement Grant | - | 2,000.0 | 2,000.0 | 2,000.0 | - |
| Deferred Maintenance Grants | 2,000.0 | 2,100.0 | 2,100.0 | 100.0 | 5.0 |
| Grants to Qualifying Colleges | 60,346.5 | 64,330.9 | 64,330.9 | 3,984.4 | 6.6 |
| Equalization - Threshold Grants | 58,426.5 | 62,410.9 | 62,410.9 | 3,984.4 | 6.8 |
| Small College Grants | 1,920.0 | 1,920.0 | 1,920.0 | - | - |
| Other Grants | 919.0 | 6,043.1 | 1,425.0 | 506.0 | 55.1 |
| Performance Based Initiative | - | 5,368.1 | 1,000.0 | 1,000.0 | - |
| Leadership and Core Values Initiative | - | 500.0 | 250.0 | 250.0 | - |
| Lincoln's Challenge Scholarships | 150.0 | 175.0 | 175.0 | 25.0 | 16.7 |
| New District Development | 250.0 | - | - | (250.0) | (100.0) |
| State Community College General Funds | 219.0 | - | - | (219.0) | (100.0) |
| Occupational Skills Statewide Standards | 300.0 | - | - | (300.0) | (100.0) |
| Illinois Community College Board | 1,841.3 | 2,286.0 | 2,070.3 | 229.0 | 12.4 |
| Office Operations | 1,816.3 | 2,261.0 | 2,045.3 | 229.0 | 12.6 |
| IOICC | 25.0 | 25.0 | 25.0 | - | - |
| Total | $ 271,149.4 | $ 294,503.5 | $ 285,661.8 | $ 14,512.4 | 5.4 % |
| Source of Appropriated Funds | | | | | |
| General Funds | $ 271,149.4 | $ 294,503.5 | $ 285,661.8 | $ 14,512.4 | 5.4 % |
| General Revenue Fund | 246,408.1 | 268,772.5 | 259,930.8 | 13,522.7 | 5.5 |
| Education Assistance Fund | 24,741.3 | 25,731.0 | 25,731.0 | 989.7 | 4.0 |

Table IV-2

FY1999 RECOMMENDATIONS
CALCULATION OF TOTAL RESOURCE REQUIREMENTS
FOR ILLINOIS COMMUNITY COLLEGES

| | Percentage of Total Costs | FY1999 Cost Increases | FY1999 Resource Requirements |
|---|---|---|---|
| Cost Factors | | | |
| Staff Compensation | 75.59 % | 3.00 % * | |
| Utilities | 4.18 | -0- | |
| Library Materials | 0.44 | 10.00 | |
| General Costs | 19.79 | -0- | |
| FY1999 Weighted Cost Increase | | 1.0220 | |
| FY1998 Weighted Cost Increase | | x 1.0438 | |
| Two-Year Cost Increase | | 1.0668 | |
| Instructional Costs | | | |
| FY1997 Unit Cost | | | $ 152.02 |
| Two-Year Cost Increase | | | x 1.0668 |
| FY1999 Unit Cost | | | $ 162.17 |
| FY1999 Budgeted Credit Hours | | | x 5,893,979 |
| FY1999 Instructional Costs | | | $ 955,826,574 |
| Adjustments to Instructional Resource Requirements | | | |
| Special Populations Grants Adjustment | | | $ (181,560) |
| Advanced Technology Equipment Grants Adjustment | | | 488,780 |
| Workforce Preparation Grants Adjustment | | | 1,580,180 |
| Retirees Health Insurance Grants Adjustment | | | 19,640 |
| Small College Grants Adjustment | | | (128,256) |
| Deferred Maintenance Grants | | | 2,100,000 |
| Staff Technical Skills Enhancement Grants | | | 2,000,000 |
| Classroom Technology | | | 3,000,000 |
| Faculty and Staff Development | | | 3,000,000 |
| Remedial and Adult Education Rate Support | | | 6,000,000 |
| Total Adjustments | | | $ 17,878,784 |
| FY1999 Total Resource Requirements for Instruction | | | $ 973,735,890 ** |
| Public Service Costs | | | |
| FY1997 Public Service Expenditures | | | $ 93,527,076 |
| Two-Year Cost Increase | | | x 1.0668 |
| FY1999 Total Resource Requirements for Public Service | | | $ 99,774,685 |
| FY1999 Total Resource Requirements | | | $ 1,073,510,575 |

* Calculated on 95 percent of the Personal Services Base.
** Includes $30,532 rounding adjustment.

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Table IV–3

FY1999 RECOMMENDATIONS
REVENUE SOURCES FOR ILLINOIS COMMUNITY COLLEGES

| | Instruction | Support Per Credit Hour | Public Service | Total |
|---|---|---|---|---|
| Tax Contribution From Local Sources | $ 323,605,765 | $ 54.90 | $ 14,557,164 | $ 338,162,929 |
| Tax Contribution From Equalization Grants | 59,673,368 | 10.12 | 2,684,362 | 62,357,730 |
| Corporate Personal Property Replacement Tax | 31,500,000 | 5.34 | –0– | 31,500,000 |
| Tuition and Fees | 213,593,963 | 36.24 | –0– | 213,593,963 |
| Miscellaneous Federal, State, and Local Revenues | 79,607,194 | 13.50 | 82,533,159 | 162,140,353 |
| SBE DAVTE Grants | 27,000,000 | 4.58 | –0– | 27,000,000 |
| SBE Adult Education Grants | 19,000,000 | 3.22 | –0– | 19,000,000 |
| Special Populations Grants | 12,300,000 | 2.09 | –0– | 12,300,000 |
| Workforce Preparation Grants | 13,475,000 | 2.29 | –0– | 13,475,000 |
| Advanced Technology Equipment Grants | 10,250,000 | 1.74 | –0– | 10,250,000 |
| Retirees Health Insurance Grants | 2,900,000 | 0.49 | –0– | 2,900,000 |
| Deferred Maintenance Grants | 2,100,000 | 0.36 | –0– | 2,100,000 |
| Credit Hour Grant – Small College Funding | 1,920,000 | 0.33 | –0– | 1,920,000 |
| Staff Technical Skills Grants | 2,000,000 | 0.34 | –0– | 2,000,000 |
| Square Footage Grants | 2,000,000 | 0.34 | –0– | 2,000,000 |
| Credit Hour Grants | 172,810,600 | 29.32 | –0– | 172,810,600 |
| Total | $ 973,735,890 | $ 165.21 | $ 99,774,685 | $ 1,073,510,575 |

Table IV–4

FY1999 RECOMMENDATIONS
CALCULATION OF THE STANDARD LOCAL CONTRIBUTION
FROM TAXES AND TUITION
FOR ILLINOIS COMMUNITY COLLEGES

| | | |
|---|---|---|
| Local Tax Contribution | | |
| Average 1997/1998 EAV (Base for FY1999 Local Tax Revenue) | | $ 174,183,344,603 |
| Weighted Average Tax Rate | x | 0.002323 |
| Tax Extension | $ | 404,627,910 |
| Less | | |
| Equalization Funding | – | 62,357,730 |
| | $ | 342,270,180 |
| Tax Collection Losses | – | 4,107,241 |
| Total Standard Local Tax Contribution | $ | 338,162,939 |

| | | |
|---|---|---|
| Tuition and Fee Contribution | | |
| FY1999 Tuition and Fee Rate Per Credit Hour | $ | 45.87 |
| FY1999 Budgeted Student Credit Hours (Non ABE/ASE) | x | 4,726,361 |
| Total Standard Tuition and Fee Revenue | $ | 216,798,179 |
| Less Unfunded Mandated Tuition Waivers | – | 3,204,216 |
| Fiscal Year 1999 Net Tuition Revenue | $ | 213,593,963 |
| FY1999 Standard Credit Hours (Greater of FY1997 or FY1995/97 Average) | + | 5,893,979 |
| FY1999 Standard Tuition and Fee Rate | $ | 36.24 |

Table IV–5

FY1999 RECOMMENDATIONS
CREDIT HOUR GRANTS BY CATEGORY
FOR ILLINOIS COMMUNITY COLLEGES

| | Baccalaureate | Business Occupational | Technical Occupational | Health Occupational | Remedial/ Developmental | Adult Basic/ Secondary | Total |
|---|---|---|---|---|---|---|---|
| Unit Cost | | | | | | | |
| FY1997 Unit Cost | $ 155.92 | $ 164.52 | $ 189.99 | $ 213.25 | $ 138.79 | $ 101.93 | $ 152.02 |
| Two–Year Cost Increase | 1.0668 % | 1.0668 % | 1.0668 % | 1.0668 % | 1.0668 % | 1.0668 % | 1.0668 % |
| FY1999 Unit Cost | $ 166.34 | $ 175.51 | $ 202.68 | $ 227.50 | $ 148.06 | $ 108.74 | $ 162.17 |
| Program Priorities | | | | | | | |
| Classroom Technology | $ 0.51 | $ 0.51 | $ 0.51 | $ 0.51 | $ 0.51 | $ 0.51 | $ 0.51 |
| Faculty and Staff Development | 0.51 | 0.51 | 0.51 | 0.51 | 0.51 | 0.51 | 0.51 |
| Remedial/ABE/ASE Rate Support | – | – | – | – | 3.87 | 3.87 | 1.02 |
| Reallocation for Square Footage Grants | (0.36) | (0.23) | (0.50) | (0.75) | (0.22) | (0.15) | (0.34) |
| Total Program Improvements | $ 0.66 | $ 0.79 | $ 0.52 | $ 0.27 | $ 4.67 | $ 4.74 | $ 1.70 |
| FY1999 Adjusted Unit Cost | $ 167.00 | $ 176.30 | $ 203.20 | $ 227.77 | $ 152.73 | $ 113.48 | $ 163.87 |
| Sources of Funding | | | | | | | |
| Tuition and Fees | $ 44.77 | $ 44.77 | $ 44.77 | $ 44.77 | $ 44.77 | –0– | $ 36.24 |
| Standard Local Contribution | 70.37 | 70.37 | 70.37 | 70.37 | 70.37 | $ 70.37 | 70.37 |
| SBE Grants | –0– | 19.32 | 19.32 | 19.32 | –0– | 16.93 | 7.80 |
| Other Revenues | 20.65 | 21.79 | 25.16 | 28.24 | 18.38 | 13.50 | 20.14 |
| Total Other Sources of Funding | $ 135.79 | $ 156.25 | $ 159.62 | $ 162.70 | $ 133.52 | $ 100.80 | $ 134.55 |
| FY1999 Credit Hour Grant Rates | $ 31.21 | $ 20.05 | $ 43.58 | $ 65.07 | $ 19.21 | $ 12.68 | $ 29.32 |

Table IV - 6

FY1999 RECOMMENDATIONS
ILLINOIS COMMUNITY COLLEGE GRANTS

| District Name | FY1998 Grants | FY1999 ICCB Request | FY1999 Recommendations | FY1998 to FY1999 Dollar Change | FY1998 to FY1999 Percent Change |
|---|---|---|---|---|---|
| Belleville | $ 13,197,001 | $ 13,860,572 | $ 13,618,176 | $ 421,175 | 3.2 % |
| Black Hawk | 9,496,762 | 10,325,485 | 10,237,420 | 740,658 | 7.8 |
| Chicago | 54,437,927 | 54,331,747 | 54,583,020 | 145,093 | 0.3 |
| Danville | 3,754,788 | 3,866,836 | 3,815,984 | 61,196 | 1.6 |
| DuPage | 14,154,326 | 15,438,041 | 15,006,856 | 852,530 | 6.0 |
| Elgin | 4,903,069 | 5,418,599 | 5,312,433 | 409,364 | 8.3 |
| Harper | 7,718,768 | 8,299,049 | 8,101,385 | 382,617 | 5.0 |
| Heartland | 1,978,600 | 2,311,068 | 2,260,015 | 281,415 | 14.2 |
| Highland | 3,085,376 | 3,052,543 | 3,017,976 | (67,400) | (2.2) |
| Illinois Central | 8,990,741 | 10,221,698 | 9,994,992 | 1,004,251 | 11.2 |
| Illinois Eastern | 10,115,803 | 11,525,480 | 11,350,493 | 1,234,690 | 12.2 |
| Illinois Valley | 3,033,110 | 3,304,136 | 3,225,173 | 192,063 | 6.3 |
| Joliet | 6,105,851 | 6,770,804 | 6,602,648 | 496,797 | 8.1 |
| Kankakee | 5,948,450 | 6,137,584 | 6,131,774 | 183,324 | 3.1 |
| Kaskaskia | 5,331,459 | 5,571,112 | 5,484,624 | 153,165 | 2.9 |
| Kishwaukee | 3,105,796 | 3,140,429 | 3,095,390 | (10,406) | (0.3) |
| Lake County | 6,081,848 | 6,707,951 | 6,540,496 | 458,648 | 7.5 |
| Lake Land | 5,791,824 | 6,635,587 | 6,514,874 | 723,050 | 12.5 |
| Lewis and Clark | 4,297,924 | 4,914,362 | 4,829,246 | 531,322 | 12.4 |
| Lincoln Land | 5,160,656 | 5,778,301 | 5,611,071 | 450,415 | 8.7 |
| Logan | 9,447,213 | 10,084,805 | 9,964,856 | 517,643 | 5.5 |
| McHenry | 2,849,976 | 3,172,467 | 3,103,860 | 253,884 | 8.9 |
| Metropolitan | 2,144,312 | 2,466,548 | 2,428,437 | 284,125 | 13.3 |
| Moraine Valley | 7,535,553 | 8,136,662 | 7,791,808 | 256,255 | 3.4 |
| Morton | 2,242,755 | 2,693,380 | 2,696,564 | 453,809 | 20.2 |
| Oakton | 6,464,993 | 6,672,215 | 6,382,236 | (82,757) | (1.3) |
| Parkland | 6,628,947 | 6,836,718 | 6,874,315 | 245,368 | 3.7 |
| Prairie State | 3,415,543 | 3,818,923 | 3,766,214 | 350,671 | 10.3 |
| Rend Lake | 5,428,696 | 5,952,796 | 5,931,679 | 502,983 | 9.3 |
| Richland | 2,293,923 | 2,414,990 | 2,348,216 | 54,293 | 2.4 |
| Rock Valley | 4,604,212 | 4,951,606 | 4,777,416 | 173,204 | 3.8 |
| Carl Sandburg | 3,173,508 | 3,601,426 | 3,580,003 | 406,495 | 12.8 |
| Sauk Valley | 2,549,889 | 2,777,793 | 2,741,228 | 191,339 | 7.5 |
| Shawnee | 3,533,128 | 3,737,196 | 3,702,010 | 168,882 | 4.8 |
| South Suburban | 7,341,227 | 7,063,982 | 6,781,078 | (560,149) | (7.6) |
| Southeastern | 5,355,455 | 5,653,595 | 5,743,944 | 388,489 | 7.3 |
| Spoon River | 2,060,291 | 2,364,292 | 2,349,767 | 289,476 | 14.1 |
| Triton | 8,959,950 | 9,818,153 | 9,615,660 | 655,710 | 7.3 |
| Waubonsee | 3,523,213 | 4,002,915 | 3,945,860 | 422,647 | 12.0 |
| John Wood | 2,144,771 | 2,341,619 | 2,306,342 | 161,571 | 7.5 |
| Trustees Association | 639 | 639 | 639 | - | - |
| Subtotal | $ 268,388,273 | $ 286,174,104 | $ 282,166,178 | $ 13,777,905 | 5.1 % |
| Other Grants | | | | | |
| Quality Performance | - | $ 5,368,100 | $ 1,000,000 | $ 1,000,000 | - |
| Leadership and Core Values | - | 500,000 | 250,000 | 250,000 | - |
| Lincoln's Challenge | 150,000 | 175,000 | 175,000 | 25,000 | 16.7 % |
| New Distict Development | 250,000 | - | - | (250,000) | (100.0) |
| Occupational Skills Standards | 300,000 | - | - | (300,000) | (100.0) |
| State Community College | 219,000 | - | - | (219,000) | (100.0) |
| Subtotal | $ 919,000 | $ 6,043,100 | $ 1,425,000 | $ 506,000 | 55.1 % |
| Rounding Adjustments | 827 | 296 | 322 | (505) | (61.1) |
| Total | $ 269,308,100 | $ 292,217,500 | $ 283,591,500 | $ 14,283,400 | 5.3 % |

Note: Final grants allocations are determined by the Illinois Community College Board.

## V. Illinois Student Assistance Commission

Fiscal year 1999 recommendations for the Illinois Student Assistance Commission target resources to achieve the state-wide goals of affordability, choice, and access to higher education for Illinois citizens. These recommendations follow policies established by the Committee to Study Affordability and adopted by the Board of Higher Education in November 1994.

The Board of Higher Education's recommendations for fiscal year 1999 build on current efforts to make college affordable and expand access and choice for students. The recommendations include funds for increasing the maximum award for the Monetary Award Program (MAP); supporting Illinois Incentive for Access grants; and continued funding for extending MAP eligibility to students attending degree-granting proprietary institutions.

The fiscal year 1999 recommendations for grant programs and administration total $361.6 million, an increase of $26.3 million, or 7.8 percent. The recommendation for loan program administration and loan reimbursements is $215.5 million, an increase of $14.6 million, or 7.3 percent. Recommendations for the Illinois Student Assistance Commission are presented on Table V-1.

### Monetary Award Program

The Monetary Award Program provides grants on the basis of financial need to Illinois residents for undergraduate study in the state. The program, one of the largest of its kind in the United States, provides annual awards of up to $4,120 to cover a student's tuition and fees at a public or private college or university located in Illinois. The fiscal year 1999 recommendation totals $310.1 million, reflecting an increase of $27.0 million, or 9.5 percent, over the fiscal year 1998 appropriation. The recommended funding level will support awards for a projected 135,500 students, approximately 4,000 more than estimated for fiscal year 1998.

Board of Higher Education policies, as recommended by the Committee to Study Affordability, call for the maximum award to increase annually at a rate that is consistent with reasonable increases in tuition and fees. The fiscal year 1999 budget recommendation includes funds to increase the maximum award by $200, from $4,120 to $4,320. The recommendation also includes funds to recognize fiscal year 1999 tuition and fee increases at community colleges, public universities, and independent institutions; to extend the application deadline for a full year award from June 1 to July 1 for continuing grant recipients; and for the processing of additional student award applications.

As part of the objective for expanding access and choice for Illinois students, the Committee to Study Affordability recommended that students at degree-granting proprietary institutions should be eligible for a Monetary Award Program grant. Legislation enacted in 1997, Public Act 90-0122, granted Monetary Award Program eligibility to students attending proprietary institutions that offer degree programs which have been approved by the Board of Higher Education for a minimum of three years, enroll a majority of their students in such degree programs, and maintain an accredited status with the North Central Association of Colleges and Schools. Public Act 90-0122 provides for a three-year plan for phasing-in eligibility. In accordance with this plan, fiscal year 1998 appropriations for the Monetary Award Program included $3.5 million for eligible first-time freshmen and first-time transfer students with an associate degree. The fiscal year 1999 recommendation includes additional funding of $4.2 million, providing the estimated resources necessary to provide awards for eligible freshmen

students, transfer students with an earned associate degree, and students who received grants in fiscal year 1998.

The fiscal year 1999 budget recommendations also include general funds support to offset a projected decrease in the state's allocation of federal State Supplemental Incentive Grant (SSIG) funds. SSIG funds are used by the Illinois Student Assistance Commission to meet Monetary Award Program resource requirements.

**Monetary Award Program Reserve**

Public Act 89-0330 authorized the establishment of a Monetary Award Program Reserve Fund in the State Treasury. The reserve is limited to two percent of the annual Monetary Award Program appropriation. Moneys deposited in the reserve fund may only be used for making Monetary Award Program grants. The fiscal year 1999 recommendations include $2.0 million in spending authority for the Monetary Award Program Reserve, allowing for unexpended funds of up to $2.0 million from the fiscal year 1998 appropriation for the Monetary Award Program to be deposited into the reserve.

**Other Grant and Scholarship Programs: State Funds**

In addition to the Monetary Award Program, the Illinois Student Assistance Commission administers several other student aid programs. Some of these programs provide assistance to students based on financial need. Other programs provide financial aid based on a student's academic performance, participation in the armed forces, intention to pursue a career in teaching, or other criteria.

**Veteran Grants**. The Veteran Grant Program provides eligible veterans with grants equal to tuition and mandatory fees at Illinois public universities and community colleges. Illinois residents who return to the state within six months of leaving the Armed Forces of the United States are eligible to receive grants equivalent to four years of full-time study at the undergraduate or graduate level. Applicants are not required to demonstrate financial need. The Veteran Grant is an entitlement; public universities and community colleges are required to waive any portion of a recipient's tuition and fees that are not paid through this grant program. The fiscal year 1999 recommendation for the Veteran Grant Program totals $22.0 million, the estimated amount needed to fully fund program requirements.

**Illinois Incentive for Access Grants**. Public Act 89-0512 authorized the creation of a new program, the Illinois Incentive for Access, designed to direct additional grant aid to students classified as freshmen with no family resources to pay for college. The program provides one-time grants of $500 to freshmen students, supplementing existing need-based grant programs. Funding of $8.5 million is recommended for the Illinois Incentive for Access program in fiscal year 1999.

**Higher Education License Plate Grants.** Public Act 89-0424 authorizes the issuance of specialized collegiate license plates for public universities, community colleges, and independent institutions. Fee revenues generated from the sale of collegiate license plates for independent institutions are deposited into a special state fund, and pursuant to Public Act 90-0278 allocated by the Commission to private colleges and universities in proportion to the number of license plates sold. The funds are used for financial aid purposes and administered by each institution. The recommendation for this program is $50,000, reflecting estimated revenue to be available for distribution in fiscal year 1999.

**Merit Recognition Scholarships.** Fiscal year 1999 recommendations include $2.2 million for the Merit Recognition Scholarship Program that provides one-time $1,000 scholarships for Illinois students who attend an Illinois college or university and who graduated in the top 2.5 percent of their high school class. An additional $2.0 million would be required to fully fund the program and provide awards to the top five percent of high school graduates, as statutorily authorized.

**National Guard Scholarships**. The National Guard Scholarship Program provides awards for tuition and fees at Illinois public universities and community colleges to individuals who have served at least one year in the Army or Air National Guard. The National Guard Scholarship is an entitlement; public universities and community colleges are required to waive any portion of a recipient's tuition and fees that are not paid by this program. Recommended funding for the National Guard Scholarship Program in fiscal year 1999 is $3.9 million, a decrease of $19,700, or 0.5 percent.

**Minority Teachers of Illinois Scholarships**. A total of $2.2 million is recommended for Minority Teachers of Illinois Scholarship program for fiscal year 1999, an increase of $100,000 over the fiscal year 1998 appropriation. This program is designed to increase the number of African American, Hispanic or Latino, Native American, and Asian teachers in Illinois elementary and secondary schools. Recipients must be at the sophomore level or above and agree to teach in Illinois schools with at least 30 percent minority enrollment upon completion of their program. The fiscal year 1999 recommendation will provide at least 440 awards, based on the statutory maximum of $5,000 per student per year.

**DeBolt Teacher Shortage Scholarships.** The fiscal year 1999 recommendation for the DeBolt Teacher Shortage Scholarships program is $1.4 million, an increase of $100,000 over the current year appropriation. Under this program, grants of up to $5,000 are made to academically talented students to pursue public school teaching careers in disciplines designated by the State Board of Education as teacher shortage areas.

**Student-to-Student Grants.** The Student-to-Student Grant program is a campus-based program for public university and community college students who have financial need not met by other programs. Eleven institutions currently participate in this program that allows for grants of up to $1,000. Voluntary student fee contributions to this program are matched by state funds. A total of $1.0 million is recommended for the Student-to-Student Grant Program in fiscal year 1999, the same as the current year appropriation.

**College Savings Bond Grants.** A total of $420,000 is included in the recommendation for Illinois College Savings Bond grants. When the proceeds of College Savings Bonds are used to pay for educational expenses at Illinois colleges and universities, bondholders are entitled to incentive grants equal to $20 for each year of the bond's term of maturity.

**Descendants Grants.** Other aid programs administered by the Commission include financial assistance to students who are dependents of fire fighters, police officers, or correctional officers killed or permanently disabled in the line of duty. Recommended funding for fiscal year 1999 totals $150,000, an increase of $52,100, or 53.2 percent, above the fiscal year 1998 appropriation.

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### Other Grant and Scholarship Programs: Federal Funds

The Robert Byrd Honors Scholarships Program provides awards of $1,500 to Illinois high school graduates who graduate in the top two percent of their high school class, earned at least a 3.8 cumulative grade point average on a 4.0 scale, or earned at least a 27 ACT composite score. The recommended funding level for this program in fiscal year 1999 is $1.8 million.

### Higher EdNet

The recommendations include $235,000 to support operation of the Higher EdNet, a financial aid clearinghouse. Higher EdNet provides Illinois residents with a single source for information regarding student financial aid, academic preparation for postsecondary education, school selection, and career planning. The Commission has processed over 20,000 applications since the service became operational in November 1995, and has initiated a program providing on-line access to the service, free of charge, to high schools, colleges, universities, and libraries.

### Program Administration

A total of $5.6 million, an increase of 6.3 percent, is recommended for the administration of Illinois Student Assistance Commission programs during fiscal year 1999. This recommendation includes funds for an average 3.0 percent salary increase, calculated on 95 percent of the personal services base, and $250,000 for administrative support activities formerly funded with Student Loan Fund revenues. New federal cost allocation requirements no longer allow certain program costs to be funded from the Student Loan Fund.

### Loan Program Administration and Loan Reimbursements

The Illinois Student Assistance Commission administers federal guaranteed student loan programs for Illinois resident students enrolled in institutions in Illinois or other states. These programs facilitate student borrowing from commercial financial institutions and provide lenders with numerous support services.

The fiscal year 1999 budget recommendations include appropriations for loan reimbursements and loan program administration from the Student Loan Fund. Disbursements from the fund are made to commercial lending institutions claiming defaults on guaranteed loans. Student Loan Fund revenues are derived from the federal government as reimbursement for loans in default and from loan collections. A total of $188.0 million for loan reimbursements, an increase of $13.8 million, or 7.9 percent, above the fiscal year 1998 appropriation is recommended.

The recommendation for loan program administration totals $27.5 million, an increase of $801,700, or 3.0 percent, over fiscal year 1998 appropriations. This funding level supports salary increases for staff and related personal services costs.

Table V - 1

FY1999 RECOMMENDATIONS
ILLINOIS STUDENT ASSISTANCE COMMISSION

(in thousands of dollars)

| Resource Requirements | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Monetary Award Program | $ 283,085.0 | $ 315,117.9 | $ 310,085.0 | $ 27,000.0 | 9.5 % |
| Monetary Award Program Reserve | 2,000.0 | 2,000.0 | 2,000.0 | - | - |
| Other Grant and Scholarship Programs (State Funded) | 42,903.4 | 45,220.0 | 41,865.8 | (1,037.6) | (2.4) |
| Illinois Veteran Grants | 21,800.0 | 22,300.0 | 22,000.0 | 200.0 | 0.9 |
| Illinois Incentive for Access Grants | 9,000.0 | 8,500.0 | 8,500.0 | (500.0) | (5.6) |
| Higher Education License Plate Grants (HELP) | 1,000.0 | 50.0 | 50.0 | (950.0) | (95.0) |
| Merit Recognition Scholarships | 2,200.0 | 4,200.0 | 2,200.0 | - | - |
| National Guard Grants | 3,919.7 | 4,000.0 | 3,900.0 | (19.7) | (0.5) |
| Minority Teachers of Illinois Scholarships | 2,100.0 | 2,750.0 | 2,200.0 | 100.0 | 4.8 |
| DeBolt Teacher Shortage Scholarships | 1,345.8 | 1,750.0 | 1,445.8 | 100.0 | 7.4 |
| Student-to-Student Grants | 1,000.0 | 1,100.0 | 1,000.0 | - | - |
| College Savings Bond Bonus Incentive Grants | 440.0 | 420.0 | 420.0 | (20.0) | (4.5) |
| Dependents Grants | 97.9 | 150.0 | 150.0 | 52.1 | 53.2 |
| Other Grant and Scholarship Programs (Federally Funded) | 1,750.0 | 1,750.0 | 1,750.0 | - | - |
| Robert C. Byrd Honors Scholarship Program | 1,750.0 | 1,750.0 | 1,750.0 | - | - |
| Administration | 5,610.2 | 6,136.2 | 5,939.7 | 329.5 | 5.9 |
| General Funds Program Administration | 5,225.2 | 5,751.2 | 5,554.7 | 329.5 | 6.3 |
| Higher EdNet Clearinghouse | 235.0 | 235.0 | 235.0 | - | - |
| Collections Activities | 150.0 | 150.0 | 150.0 | - | - |
| Total, Grant Programs and Administration | $ 335,348.6 | $ 370,224.1 | $ 361,640.5 | $ 26,291.9 | 7.8 % |
| Federal Loan Program Administration and Loan Reimbursements | 200,888.1 | 215,489.8 | 215,489.8 | 14,601.7 | 7.3 |
| Total | $ 536,236.7 | $ 585,713.9 | $ 577,130.3 | $ 40,893.6 | 7.6 % |
| Source of Appropriated Funds | | | | | |
| General Funds | $ 327,528.6 | $ 366,174.1 | $ 356,092.5 | $ 28,563.9 | 8.7 % |
| General Revenue Fund | 268,522.5 | 304,807.8 | 294,726.2 | 26,203.7 | 9.8 |
| Education Assistance Fund | 59,006.1 | 61,366.3 | 61,366.3 | 2,360.2 | 4.0 |
| Federal Funds | 4,570.0 | 1,750.0 | 3,248.0 | (1,322.0) | (28.9) |
| Student Loan Fund | 200,888.1 | 215,489.8 | 215,489.8 | 14,601.7 | 7.3 |
| Monetary Award Program Reserve Fund | 2,000.0 | 2,000.0 | 2,000.0 | - | - |
| Other State Funds | 1,250.0 | 300.0 | 300.0 | (950.0) | (76.0) |

## VI. GRANT PROGRAMS

The Board of Higher Education administers several state and federally funded grant programs, including financial assistance for nonpublic institutions, health education grants, and institutional grants. Tables VI-1 through VI-3 summarize fiscal year 1999 recommendations for each program.

### Financial Assistance Act For Nonpublic Institutions of Higher Learning

The state of Illinois recognizes the valuable contribution that independent colleges and universities make towards the diversity, comprehensiveness, and excellence of Illinois' higher education system. According to preliminary figures from the Board of Higher Education's 1997 Fall Enrollment Survey, enrollment at independent institutions accounted for nearly 27 percent of the total fall 1997 headcount enrollment in Illinois. Independent colleges and universities provide instruction in almost every discipline and award approximately 43 percent of bachelor's degrees, 58 percent of masters degrees, and 67 percent of first professional and doctorate degrees.

Like Illinois public universities, independent colleges and universities must meet the same challenge of managing increases in the costs of salaries, goods and services, technology, and facilities maintenance. State and federal government grant programs are important sources for addressing these increasing costs. The Financial Assistance Act for Nonpublic Institutions of Higher Learning provides direct grants to non-for-profit, independent colleges and universities based on the enrollment of Illinois residents in undergraduate programs to assist them in responding to state priorities including preparing Illinois' workforce, strengthening the quality of undergraduate education, enhancing the use of technology, and improving student access and affordability.

The fiscal year 1999 recommendation for Financial Assistance Act grants is displayed on Table VI-1. A total of $20.0 million is recommended for fiscal year 1999, an increase of $771,100, or 4.0 percent, over fiscal year 1998 appropriations.

### Health Education Grants

The recommendation for fiscal year 1999 health education grants includes funding for awards under both the Health Services Education Grants Act and the Family Practice Residency Act. Health education grants assist institutions in meeting the high cost of health education programs while assuring that the state of Illinois has an adequate supply of health professionals. In addition, health education grants assist institutions and the state of Illinois in providing health professionals for underserved geographic areas and in improving opportunities for students, particularly minority students, to pursue careers in the health professions. Funding recommendations for fiscal year 1999 are displayed on Table VI-2.

**Health Services Education Grants.** The Health Services Education Grants Act authorizes the appropriation of funds to the Board of Higher Education for allocation to institutions offering programs that educate and train health professionals. In accordance with the provisions of the Act, grants are based on the number of Illinois residents enrolled in such programs.

A total of $19.2 million is recommended for grants under this Act. These recommendations provide funding for medical, dental, optometric, podiatric, pharmacy, allied

health, nursing, and medical residency programs. Included within the allied health category are grants for physician assistant programs.

These recommendations provide funding at 95.7 percent of the maximum grant rates, based on projected fall 1998 program enrollments. This proration level applies to all categories of health education programs except residency programs, which are recommended at 75.0 percent of the maximum grant rate. Residency program grants are recommended to increase by $470,000, to $2.9 million. Grants for residency programs are limited to residencies in family practice and obstetrics/gynecology. Enrollments in hospital residency programs affiliated with public and nonpublic schools of medicine are eligible for funding. A total of $1.6 million is included in the Health Services Education Grant categories to support minority students' participation in health education programs.

**Medical Scholarship Program.** The Family Practice Residency Act authorizes the Illinois Department of Public Health to award scholarships to Illinois residents who are attending Illinois medical schools and who, in return for such scholarships, agree to practice in those areas of the state demonstrating the greatest need for medical care. Financial need and willingness to complete the residency requirement in a medical shortage area are among the factors considered by the Department in awarding these scholarships that provide both tuition and a stipend for living expenses. Minority students have received a significant proportion of these scholarships. Fiscal year 1999 recommendations provide $3.4 million for this scholarship program, the same amount appropriated in the current fiscal year.

### Institutional Grant Programs

Fiscal year 1999 recommendations for institutional grant programs total $33.8 million, an increase of $8.4 million, or 33.1 percent, over fiscal year 1998 appropriations. Included in this recommendation are $19.5 million for grants under the Higher Education Cooperation Act, $2.8 million for the Engineering Equipment Grant program, $1.6 million for the Consortium for Educational Opportunity Act, $2.0 million for the Cooperative Work Study Program, and $5.0 million for a new matching funds program to provide matching dollars for institutions applying for federally sponsored grants. In addition, $2.9 million in federal funding is recommended for Dwight D. Eisenhower Professional Development Program grants. Funding recommendations for fiscal year 1999 are displayed on Table VI-3.

### The Higher Education Cooperation Act

The Higher Education Cooperation Act (HECA) provides funds to support interinstitutional cooperation within higher education. Since its inception, the HECA grant program has been vital in extending educational opportunities throughout the state and promoting more effective uses of resources through cooperative programs. The Act stipulates that projects shall involve at least two higher education institutions. A total of $19.5 million, an increase of $3.0 million, is recommended in fiscal year 1999 for Higher Education Cooperation Act grants in the program areas discussed below.

**Interinstitutional Grants**. Interinstitutional grants are awarded to cooperating institutions on a competitive basis. The objectives of the grants are to encourage interinstitutional cooperation with the involvement of local communities, to achieve an effective use of educational resources, to extend access to educational services throughout the state, and to develop innovative approaches for delivering educational services. The fiscal year 1999 recommendations include $2.5 million for

interinstitutional grants. The recommendations will support programs designed to strengthen school/college partnerships, expand educational programs for place-bound students, enhance academic program articulation, provide staff development programs, and enhance coordination among institutions in the delivery of technologically delivered instruction. Support is included for a new initiative to create a multi-institution clearinghouse of Illinois institutions providing course offerings over the Internet. In addition to providing outreach to all areas of the state, the initiative will facilitate cooperation with consortia and industry.

**Minority Educational Achievement Grants.** The fiscal year 1999 HECA recommendation includes $5.5 million for minority educational achievement grants provided to consortia of higher education institutions, elementary/secondary schools, community organizations, and other cooperative efforts of higher education institutions with the objectives of motivating elementary and secondary students to pursue higher education, enhancing academic skills in basic subject areas, improving college retention rates, and strengthening the student pipeline for professional school programs. The programs funded through these grants serve a wide range of student age groups from the early elementary school levels through graduate/professional school.

**Minority Articulation Program Grants.** Funds totaling $2.6 million are recommended to support efforts to improve the transfer rate of minority students from community colleges to baccalaureate institutions. This recommendation continues support for a network of transfer centers aimed at minority students on community college campuses. Minority Articulation Program grants also encompass faculty/staff development initiatives designed to improve the social and academic climate for minority students and bring together faculty from community colleges and universities to develop course and program articulation agreements to facilitate student transfer.

**Quad-Cities Graduate Study Center.** The Quad-Cities Graduate Study Center is a cooperative regional academic center that receives support from both Illinois and Iowa and involves public and private institutions from both states. Graduate instruction is scheduled at the Center on a regular basis for residents of the Quad-Cities metropolitan area that includes Rock Island and Moline, Illinois, and Davenport and Bettendorf, Iowa. The Illinois appropriation to the Center is matched by a similar appropriation from the state of Iowa. A total of $193,500 is recommended for the Quad-Cities Graduate Study Center in fiscal year 1999.

**Library Resource Sharing.** Library resource sharing grants extend the use of college and university library collections and offset the cost of new acquisitions by supporting cooperative borrowing, lending, and the management of materials among Illinois libraries. Library resource sharing grants target technology advances, providing resources to upgrade the computer system design and capacity of ILLINET Online, a statewide resource sharing network, and support the acquisition of computer hardware and bar-coding technologies. In addition, the grants support cooperative collection management activities and provide access to electronic data bases for community college libraries; and help libraries collaboratively set priorities for accessing bibliographic data bases, acquiring new library materials, and managing existing collections. A total of $1.5 million is recommended in fiscal year 1999.

**Economic Development Grants.** Economic Development Grants support a variety of economic development initiatives aimed at both Illinois colleges and universities and Illinois businesses. The grants assist in implementing Board of Higher Education policies and priorities with regard to technology and workforce preparation by supporting the 10 regional consortia. The regional consortia address high priority educational needs, make recommendations on regional

programmatic priorities, and use telecommunications technologies to expand the delivery of instruction. The grants assist small and medium sized companies in employing advanced manufacturing technologies and strategies; expand delivery of science, engineering, and technology programs in cooperation with the Illinois Manufacturing Extension Center; expand cooperative efforts of colleges, universities, and high schools in the use of technology; and provide assistance for new workforce training initiatives. Funding is included for three market research analyses of employers, students and alumni to support the Board of Higher Education's master planning activities. These grants also will allow for incorporation of technology innovation recommendations that relate to the Illinois Century Network. A total of $4.3 million is recommended in fiscal year 1999 for Economic Development Grants.

**Advanced Photon Source - Argonne National Laboratory.** Fiscal year 1999 recommendations include $3.0 million to support university research activities related to Argonne National Laboratory's Advanced Photon Source (APS), an increase of $1.0 million over fiscal year 1998 appropriations. Six Illinois universities are members of collaborative teams proposing and conducting experiments at the APS at Argonne National Laboratory. The APS is a national synchrotron radiation research facility funded by the United States Department of Energy. Grant funds are used to design, construct, and install x-ray beam lines for conducting advanced x-ray research and its application to problems in materials science, chemistry, geophysics, and structural biology. The additional funding will support the development of new experimental techniques and collaborative efforts with industrial research programs.

## Engineering Equipment Grant Program

A total of $2.8 million is recommended in fiscal year 1999 to acquire state-of-the-art equipment for engineering programs. Distribution of these grants is based on the number of engineering degrees awarded by public and private institutions offering accredited engineering programs. This recommendation will support 2,435 projected engineering degrees in fiscal year 1999 at a prorated grant rate of $1,150. The statutorily authorized maximum grant rate is $1,200 per engineering degree awarded. The grants must be matched by funds from private sources.

## Consortium for Educational Opportunity Act

A total of $1.6 million is recommended in fiscal year 1999 for the Consortium for Educational Opportunity Act. The Act authorizes financial assistance to encourage minority students to enroll in and complete graduate degree programs. The Act provides for maximum awards of $10,000 per year for up to four years.

To be eligible, a student must be an Illinois resident who is unable to pursue a graduate or professional degree without an award. Award recipients must agree to accept a position at an Illinois higher education institution, or in an education-related function at a state agency, upon completion of the degree. Currently, 34 public and private Illinois institutions that grant postbaccalaureate degrees participate in the program. A total of 154 individuals--126 African-American, 25 Hispanic, one Asian, and two Native American students--received support from fiscal year 1998 funds.

### Cooperative Work Study Program

The Illinois Cooperative Work Study Program Act authorizes the Board of Higher Education to award grants to public and nonpublic institutions of higher education to support student cooperative work study programs. The program plays an important role in carrying out the Board's workforce preparation policies. The Act stipulates that grants should support cooperative work study programs that benefit students academically and financially, reduce reliance on loans, enhance public-private sector partnerships, and encourage students to seek permanent employment in Illinois. Fiscal year 1999 recommendations for this program total $2.0 million, an increase of $250,000, or 14.7 percent.

### Matching Funds Program

Illinois colleges and universities are major contributors to the economic development and vitality of the state through performance of innovative research and service programs and the development of strong linkages with partners in industry. Funding agencies are increasingly requiring academic institutions to provide matching funds for projects in order to demonstrate state and institutional commitment. It is important for Illinois to provide matching funds to enable institutions to compete for external grants and to be successful in receiving federal awards, thereby leveraging additional funding for the state. These budget recommendations include $5.0 million to begin a new matching program for higher education. These funds are to be used to meet the required match that is a condition of funding competition or where funding agencies indicate that matching funds are a stated determinant in the decision to fund a proposal. The funds will be allocated by the Board of Higher Education through a competitive grant program.

### Dwight D. Eisenhower Professional Development Program

Federal Dwight D. Eisenhower Professional Development Program grants provide funding for the improvement of mathematics and science education in elementary and secondary schools. The Board of Higher Education is responsible for the distribution of federal funds made available for higher education programs. These funds support professional development, retraining, and in-service programs offered by colleges and universities for elementary and secondary school teachers of mathematics and science. The projects are developed and implemented in cooperation with local school districts to meet needs defined by the districts. In fiscal year 1999, spending authority of $2.9 million is recommended for this program.

Table VI - 1

FY1999 RECOMMENDATIONS
ILLINOIS FINANCIAL ASSISTANCE ACT

(in thousands of dollars)

| Resource Requirements | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Illinois Financial Assistance Act for Nonpublic Institutions of Higher Learning | $ 19,276.6 | $ 19,854.9 | $ 20,047.7 | $ 771.1 | 4.0 % |
| Total | $ 19,276.6 | $ 19,854.9 | $ 20,047.7 | $ 771.1 | 4.0 % |
| **Source of Appropriated Funds** | | | | | |
| General Funds | $ 19,276.6 | $ 19,854.9 | $ 20,047.7 | $ 771.1 | 4.0 % |
| General Revenue Fund | 15,522.8 | 15,950.9 | 16,143.7 | 620.9 | 4.0 |
| Education Assistance Fund | 3,753.8 | 3,904.0 | 3,904.0 | 150.2 | 4.0 |

Table VI - 2

FY1999 RECOMMENDATIONS
HEALTH EDUCATION GRANTS

(in thousands of dollars)

| Resource Requirements | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Health Services Education Grants Act | $ 18,427.5 | $ 19,951.3 | $ 19,231.3 | $ 803.8 | 4.4 % |
| Medical | 9,115.0 | 9,388.5 | 9,375.2 | 260.2 | 2.9 |
| Dental | 188.8 | 194.5 | 157.3 | (31.5) | (16.7) |
| Optometric | 216.8 | 223.3 | 288.3 | 71.5 | 33.0 |
| Podiatric | 198.4 | 204.4 | 227.3 | 28.9 | 14.6 |
| Pharmacy | 675.2 | 695.5 | 772.3 | 97.1 | 14.4 |
| Allied Health | 1,606.2 | 1,654.4 | 1,823.7 | 217.5 | 13.5 |
| Nursing | 3,952.1 | 4,070.7 | 3,642.2 | (309.9) | (7.8) |
| Residency Programs | 2,475.0 | 3,520.0 | 2,945.0 | 470.0 | 19.0 |
| Medical Scholarship Program/IDPH * | 3,445.0 | 3,548.4 | 3,445.0 | - | - |
| Total | $ 21,872.5 | $ 23,499.7 | $ 22,676.3 | $ 803.8 | 3.7 % |
| Source of Appropriated Funds | | | | | |
| General Funds | $ 21,872.5 | $ 23,499.7 | $ 22,676.3 | $ 803.8 | 3.7 % |
| General Revenue Fund | 19,759.8 | 21,302.5 | 20,479.1 | 719.3 | 3.6 |
| Education Assistance Fund | 2,112.7 | 2,197.2 | 2,197.2 | 84.5 | 4.0 |

* Appropriated to the Illinois Department of Public Health (IDPH)

Table VI - 3

FY1999 RECOMMENDATIONS
INSTITUTIONAL GRANT PROGRAMS

(in thousands of dollars)

| Resource Requirements | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Higher Education Cooperation Act | $ 16,590.0 | $ 20,100.0 | $ 19,543.5 | $ 2,953.5 | 17.8 % |
| Interinstitutional Grants | 1,715.0 | 2,300.0 | 2,450.0 | 735.0 | 42.9 |
| Minority Educational Achievement | 5,300.0 | 5,500.0 | 5,500.0 | 200.0 | 3.8 |
| Minority Articulation Programs | 2,500.0 | 2,600.0 | 2,600.0 | 100.0 | 4.0 |
| Quad Cities Graduate Study Center | 175.0 | 200.0 | 193.5 | 18.5 | 10.6 |
| Library Resource Sharing Project | 1,400.0 | 1,500.0 | 1,500.0 | 100.0 | 7.1 |
| Economic Development | 3,500.0 | 5,000.0 | 4,300.0 | 800.0 | 22.9 |
| Advanced Photon Source - Argonne National Laboratory | 2,000.0 | 3,000.0 | 3,000.0 | 1,000.0 | 50.0 |
| Other Grant Programs | 8,800.0 | 24,250.0 | 14,250.0 | 5,450.0 | 61.9 |
| Engineering Equipment Grants | 2,700.0 | 2,800.0 | 2,800.0 | 100.0 | 3.7 |
| Consortium for Educational Opportunity Act | 1,500.0 | 1,600.0 | 1,600.0 | 100.0 | 6.7 |
| Cooperative Work Study Program | 1,700.0 | 1,950.0 | 1,950.0 | 250.0 | 14.7 |
| Matching Funds Program | - | 15,000.0 | 5,000.0 | 5,000.0 | - |
| Dwight D. Eisenhower Professional Development Program Grants | 2,900.0 | 2,900.0 | 2,900.0 | - | - |
| Total | $ 25,390.0 | $ 44,350.0 | $ 33,793.5 | $ 8,403.5 | 33.1 % |
| Sources of Appropriated Funds | | | | | |
| General Funds | $ 22,490.0 | $ 41,450.0 | $ 30,893.5 | $ 8,403.5 | 37.4 % |
| General Revenue Fund | 18,475.7 | 37,275.1 | 26,718.6 | 8,242.9 | 44.6 |
| Education Assistance Fund | 4,014.3 | 4,174.9 | 4,174.9 | 160.6 | 4.0 |
| Higher Education Title II Fund | 2,900.0 | 2,900.0 | 2,900.0 | - | - |

## VII. AGENCIES AND RETIREMENT

### Illinois Mathematics and Science Academy

The Illinois Mathematics and Science Academy is a residential institution for sophomore, junior, and senior high school students who are gifted in the fields of mathematics and science. The mission of the Academy is twofold: to offer a full curriculum and challenging educational experiences for its students and to promote excellence and provide service to all Illinois educators with programs aimed at improving instruction and curricula in mathematics, science, and technology.

The fiscal year 1999 recommendation for the Illinois Mathematics and Science Academy operations totals $14.5 million, an increase of $808,100, or 5.9 percent, above fiscal year 1998 appropriations. The recommendation provides for an average 3.0 percent increase for faculty and staff salaries, calculated on 95 percent of the personal services base, a 3.0 percent increase in Medicare costs, and a 10.0 percent increase for the cost of library materials. Also included in the recommendation are $80,000 in program support for Standards-Based Professional Development work through the Centers for the Problem-Based Learning and Collaborative Inquiry in Mathematics and Science, $120,000 for the Learning-at-a-Distance initiative, $200,000 for faculty and staff retention, and $140,000 for deferred maintenance.

Fiscal year 1999 recommendations for the Academy are displayed on Table VII-1.

### State Universities Civil Service System

The State Universities Civil Service System provides a program of personnel administration for state universities and higher education agencies. The State Universities Civil Service System is under the control of the Universities Civil Service Merit Board. All appointments and promotions at state universities and higher education agencies, with the exception of faculty, administrative, and student employees, are made based on examinations administered by the System. Included in the powers and duties of the Merit Board are approval of classification plans, prescription of ranges of compensation, provision of standards of examination, and recruitment of personnel.

A total of $1.3 million is recommended for fiscal year 1999 for the State Universities Civil Service System, an increase of $76,400, or 6.5 percent, over fiscal year 1998 appropriations. This recommendation is based on the same budget decision guidelines used for all higher education institutions and agencies. The recommendation includes a salary increase of 3.0 percent, calculated on 95 percent of the personal services base, and a 3.0 percent increase in Medicare costs. Additional funding of $54,000 is provided for office support.

The fiscal year 1999 recommendation for the State Universities Civil Service System is displayed on Table VII-2.

### Board of Higher Education

Fiscal year 1999 recommendations for the Board of Higher Education office operations total $2.8 million, an increase of $150,100, or 5.8 percent, over fiscal year 1998 appropriations. Included are funds for an average salary increase of 3.0 percent, calculated on 95 percent of the personal services base, and a 3.0 percent increase in Medicare costs. An additional $98,700 is

recommended for staffing, master planning activities and office support. The amount for the Board of Higher Education also includes $25,000 for the Illinois Occupational Information Coordinating Council.

The fiscal year 1999 recommendation for Board of Higher Education office operations is displayed on Table VII-3.

**State Universities Retirement System**

The State Universities Retirement System administers retirement annuities and other benefits, including death, disability, and survivors benefits, for employees of state universities, community colleges, and higher education agencies.

Public Act 88-0593, enacted in 1994, revised the minimum annual state contribution to the State Universities Retirement System and four other state supported retirement systems. The Act requires the minimum contribution to be an amount that, when added to other sources of employer contributions, is sufficient to meet the normal cost of maintaining the system and increase the funding ratio to 90 percent over 50 years. The statute provides for a fifteen-year phase-in of this funding requirement beginning in fiscal year 1996. Annually, the State Universities Retirement System is to certify by November 15 the amount necessary to meet this statutory requirement, and this amount is to be appropriated without any further action required by the General Assembly and Governor.

The fiscal year 1999 recommendation on Table VII-4 reflects the amount certified by the State Universities Retirement System. The recommended appropriation totals $215.4 million, an increase of $13.8 million, or 6.8 percent, over fiscal year 1998 appropriations. The incremental funding requirement for the System decreased from $42.1 million in fiscal year 1998 to $13.8 million in fiscal year 1999.

During fiscal year 1998, the System adopted revised actuarial assumptions that decreased the incremental funding requirement beginning in fiscal year 1999. The changes in assumptions include a reduction in the salary growth assumption from seven percent to five percent and an increase in the interest rate assumption from eight to 8.5 percent. The incremental requirement also was reduced following the change in accounting methods for System assets from a book value to a market value base as required by the Governmental Accounting Standard Board effective July 1, 1997.

Based on the System's actuarial projections, estimated funding requirements for the next four years and the associated annual increase pursuant to Public Act 88-0593 are listed below.

(in millions)

| | FY1999 | FY2000 | FY2001 | FY2002 | FY2003 |
|---|---|---|---|---|---|
| Funding Requirements | $236.4 | $255.3 | $274.8 | $295.3 | $317.1 |
| Change from Prior Year | 14.8 | 18.9 | 19.5 | 20.5 | 21.8 |

The funding requirements in fiscal year 1999 and the out-year estimates include contributions for employees paid from nonappropriated federal grants and contracts and trust funds. The state appropriated requirement for fiscal year 1999 is $215.4 million, based on an

estimated contribution of $21.0 million, an increase of $1.0 million, for employees paid from federal grants and contracts and trust funds.

Table VII - 1

FY1999 RECOMMENDATIONS
ILLINOIS MATHEMATICS AND SCIENCE ACADEMY

(in thousands of dollars)

| Resource Requirements | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Illinois Mathematics and Science Academy | $ 13,650.5 | $ 14,886.6 | $ 14,458.6 | $ 808.1 | 5.9 % |
| Total | $ 13,650.5 | $ 14,886.6 | $ 14,458.6 | $ 808.1 | 5.9 % |
| Sources of Appropriated Funds | | | | | |
| General Funds | $ 13,150.5 | $ 14,386.6 | $ 13,958.6 | $ 808.1 | 6.1 % |
| General Revenue Fund | 12,346.1 | 13,550.0 | 13,122.0 | 775.9 | 6.3 |
| Education Assistance Fund | 804.4 | 836.6 | 836.6 | 32.2 | 4.0 |
| Illinois Mathematics and Science Academy Income Fund | 500.0 | 500.0 | 500.0 | - | - |

Table VII - 2

FY1999 RECOMMENDATIONS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM

(in thousands of dollars)

| Resource Requirements | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Office Operations | $ 1,176.1 | $ 1,477.1 | $ 1,252.5 | $ 76.4 | 6.5 % |
| Total | $ 1,176.1 | $ 1,477.1 | $ 1,252.5 | $ 76.4 | 6.5 % |
| **Source of Appropriated Funds** | | | | | |
| General Funds | $ 1,176.1 | $ 1,477.1 | $ 1,252.5 | $ 76.4 | 6.5 % |
| General Revenue Fund | 1,084.1 | 1,381.4 | 1,156.8 | 72.7 | 6.7 |
| Education Assistance Fund | 92.0 | 95.7 | 95.7 | 3.7 | 4.0 |

Table VII - 3

FY 1999 RECOMMENDATIONS
BOARD OF HIGHER EDUCATION

(in thousands of dollars)

| Resource Requirements | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Office Operations | $ 2,608.2 | $ 2,768.8 | $ 2,758.3 | $ 150.1 | 5.8 % |
| Total | $ 2,608.2 | $ 2,768.8 | $ 2,758.3 | $ 150.1 | 5.8 % |
| Source of Appropriated Funds | | | | | |
| General Funds | $ 2,551.2 | $ 2,711.8 | $ 2,701.3 | $ 150.1 | 5.9 % |
| General Revenue Fund | 2,384.5 | 2,538.4 | 2,527.9 | 143.4 | 6.0 |
| Education Assistance Fund | 166.7 | 173.4 | 173.4 | 6.7 | 4.0 |
| Higher Education Title II Fund | 57.0 | 57.0 | 57.0 | - | - |

Table VII - 4

FY1999 RECOMMENDATIONS
STATE UNIVERSITIES RETIREMENT SYSTEM

(in thousands of dollars)

| Resource Requirements | FY1998 Appropriations | FY1999 Requests | FY1999 Recommendations | Increase Over FY1998 | Percent Increase Over FY1998 |
|---|---|---|---|---|---|
| Retirement Contributions | $ 201,624.0 | $ 222,700.0 | $ 215,425.0 | $ 13,801.0 | 6.8 % |
| Total | $ 201,624.0 | $ 222,700.0 | $ 215,425.0 | $ 13,801.0 | 6.8 % |
| **Source of Appropriated Funds** | | | | | |
| General Funds | $ 186,023.6 | $ 207,099.6 | $ 205,268.9 | $ 19,245.3 | 10.3 % |
| General Revenue Fund | 186,023.6 | 207,099.6 | 205,268.9 | 19,245.3 | 10.3 |
| State Pensions Fund | 15,600.4 | 15,600.4 | 10,156.1 | (5,444.3) | (34.9) |

# APPENDIX

## RELATED HIGHER EDUCATION DATA

Table A-1

GENERAL FUNDS EXPENDITURES BY SECTOR
(EXCLUDING GRF INCOME TAX REFUNDS)
FISCAL YEAR 1970 - FISCAL YEAR 1998 (APPROPRIATIONS)

(in millions of dollars)

| Fiscal Year | | Elementary and Secondary Education | Higher Education | Education Total | All Other | State Total |
|---|---|---|---|---|---|---|
| 1970 | Expenditures | $ 783.9 | $ 429.9 | $ 1,213.8 | $ 1,230.0 | $ 2,443.8 |
| | % of Total | 32.1 % | 17.6 % | 49.7 % | 50.3 % | 100.0 % |
| 1980 | Expenditures | 2,044.5 | 917.4 | 2,961.9 | 3,790.9 | 6,752.8 |
| | % of Total | 30.3 | 13.6 | 43.9 | 56.1 | 100.0 |
| 1990 | Expenditures | 3,302.0 | 1,614.6 | 4,916.6 | 7,235.4 | 12,152.0 |
| | % of Total | 27.2 | 13.3 | 40.5 | 59.5 | 100.0 |
| 1996 | Expenditures | 3,857.7 | 1,838.8 | 5,696.5 | 10,623.0 | 16,319.5 |
| | % of Total | 23.6 | 11.3 | 34.9 | 65.1 | 100.0 |
| 1997 | Expenditures | 4,144.1 | 1,952.5 | 6,096.6 | 10,763.5 | 16,860.1 |
| | % of Total | 24.6 | 11.6 | 36.2 | 63.8 | 100.0 |
| 1998 | Appropriations | 4,608.3 | 2,073.3 * | 6,681.6 | 11,557.8 | 18,239.4 |
| | % of Total | 25.3 | 11.4 | 36.6 | 63.4 | 100.0 |
| FY1990 - FY1998 Appropriations | | | | | | |
| | $ Change | $ 1,306.3 | $ 458.7 | $ 1,765.0 | $ 4,322.4 | $ 6,087.4 |
| | % Change | 39.6 % | 28.4 % | 35.9 % | 59.7 % | 50.1 % |
| | Annual % Change | 4.3 | 3.2 | 3.9 | 6.0 | 5.2 |
| FY1997 - FY1998 Appropriations | | | | | | |
| | $ Change | $ 464.2 | $ 120.8 | $ 585.0 | $ 794.3 | $ 1,379.3 |
| | % Change | 11.2 % | 6.2 % | 9.6 % | 7.4 % | 8.2 % |

* Includes general fund appropropriations for capital improvement projects for South Suburban College ($1,929,400), Lewis and Clark College ($500,000), and Southern Illinois University at Edwardsville East St. Louis Center replacement ($400,000).

Sources: Comptroller Reports and BHE Records

Table A - 2

STATE GENERAL FUNDS EXPENDITURES FOR ILLINOIS HIGHER EDUCATION
FISCAL YEAR 1970 TO FISCAL YEAR 1998 (APPROPRIATIONS)

| Fiscal Year | | Higher Education Expenditures ($s in thousands) | Higher Education Expenditures In 1998 Dollars ($s in thousands) | FTE Enrollments | Expenditures For Higher Education Per FTE In Current Dollars | Expenditures For Higher Education Per FTE In 1998 Dollars |
|---|---|---|---|---|---|---|
| 1970 | Expenditures | $ 429,944.6 | $ 2,000,603.0 | 328,067 | $ 1,311 | $ 6,098 |
| 1980 | Expenditures | 917,406.1 | 2,175,732.1 | 425,940 | 2,154 | 5,108 |
| 1990 | Expenditures | 1,614,585.1 | 2,107,675.7 | 475,955 | 3,392 | 4,428 |
| 1996 | Expenditures | 1,838,762.7 | 1,950,170.7 | 488,489 | 3,764 | 3,992 |
| 1997 | Expenditures | 1,952,471.3 | 2,011,570.8 | 491,625 | 3,971 | 4,092 |
| 1998 | Appropriations | 2,073,336.5 * | 2,073,336.5 | 499,383 | 4,152 | 4,152 |
| FY1980 - FY1998 Appropriations | | | | | | |
| Change | | $ 1,155,930.4 | $ (102,395.6) | 73,443 | $ 1,998 | $ (956) |
| Percent Change | | 126.0 % | (4.7) % | 17.2 % | 92.8 % | (18.7) % |
| Annual Percent Change | | 4.6 | (0.3) | 0.9 | 3.7 | (1.1) |
| FY1990 - FY1998 Appropriations | | | | | | |
| Change | | $ 458,751.4 | $ (34,339.2) | 23,428 | $ 760 | $ (276) |
| Percent Change | | 28.4 % | (1.6) % | 4.9 % | 22.4 % | (6.2) % |
| Annual Percent Change | | 3.2 | (0.2) | 0.6 | 2.6 | (0.8) |
| FY1997 - FY1998 Appropriations | | | | | | |
| Change | | $ 120,865.2 | $ 61,765.7 | 7,758.0 | $ 181 | $ 60 |
| Percent Change | | 6.2 % | 3.1 % | 1.6 % | 4.6 % | 1.5 % |

* Includes general fund appropropriations for capital improvement projects for South Suburban College ($1,929,400), Lewis and Clark College ($500,000), and Southern Illinois University at Edwardsville East St. Louis Center replacement ($400,000).

Source: Comptroller Reports and BHE Fall Enrollment Report

Table A - 3

## COMPARISON OF WEIGHTED AVERAGE TUITION AND FEES WITH ECONOMIC INDICATORS

| Fiscal Year | Average Weighted Tuition and Fees (Resident Undergraduates) | | | | | | Economic Indicators Percent Change | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Public Universities | | Community Colleges | | Independent Institutions | | | | | |
| | Tuition & Fees | Percent Change | Tuition & Fees | Percent Change | Tuition & Fees | Percent Change | Higher Education Price Index | Consumer Price Index | Illinois Per Capita Disposable Income | General Funds Appropriations for Higher Education |
| 1985 | $ 1,503 | - | $ 732 | - | $ 5,748 | - | - | - | - | - |
| 1990 | 2,330 | 55.0 % | 925 | 26.4 % | 8,362 | 45.5 % | 27.1 % | 20.1 % | 34.6 % | 45.0 % |
| 1994 | 3,134 | 34.5 | 1,201 | 29.8 | 11,054 | 32.2 | 16.0 | 15.0 | 18.0 | 1.2 |
| 1995 | 3,303 | 5.4 | 1,259 | 4.8 | 11,467 | 3.7 | 3.0 | 3.0 | 4.4 | 6.3 |
| 1996 | 3,434 | 4.0 | 1,323 | 5.1 | 12,145 | 5.9 | 3.0 | 2.7 | 4.0 • | 5.3 |
| 1997 | 3,629 | 5.7 | 1,370 | 3.6 | 12,859 | 5.9 | 3.0 | 2.9 | 4.0 • | 6.1 |
| 1998• | 3,818 | 5.2 | 1,451 | 5.9 | 13,684 | 6.4 | 3.0 • | 2.8 • | 4.1 • | 6.3 |
| Percent Change | | | | | | | | | | |
| FY 1985 - 98 | | 154.0 % | | 98.2 % | | 138.1 % | 66.0 % | 54.5 % | 86.6 % | 74.4 % |
| FY 1990 - 98 | | 63.9 % | | 56.9 % | | 63.6 % | 30.6 % | 28.6 % | 38.7 % | 20.2 % |
| FY 1994 - 98 | | 21.8 % | | 20.8 % | | 23.8 % | 12.6 % | 11.8 % | 17.5 % | 18.8 % |
| FY 1997 - 98 | | 5.2 % | | 5.9 % | | 6.4 % | 3.0 % | 2.8 % | 4.1 % | 6.3 % |

• Estimates

Sources: Illinois Student Assistance Commission (ISAC) Data Books and staff estimates, Research Associates of Washington, Data Resources, Incorporated

Table A-4

ANNUAL TUITION RATES AT ILLINOIS PUBLIC UNIVERSITIES
BY STUDENT LEVEL
FY1990 - FY1999

| | FY1990 | FY1997 | FY1998 | FY1999 |
|---|---|---|---|---|
| Chicago State University | | | | |
| Lower Division | $ 1,572 | $ 2,022 | $ 2,082 | $ 2,148 |
| Upper Division | 1,596 | 2,022 | 2,082 | 2,148 |
| Graduate | 1,680 | 2,130 | 2,196 | 2,268 |
| Out-of-State Lower Division | 4,716 | 6,066 | 6,246 | 6,444 |
| Out-of-State Upper Division | 4,788 | 6,066 | 6,246 | 6,444 |
| Out-of-State Graduate | 5,040 | 6,390 | 6,588 | 6,804 |
| Eastern Illinois University | | | | |
| Lower Division | 1,572 | 2,052 | 2,124 | 2,188 |
| Upper Division | 1,596 | 2,052 | 2,124 | 2,188 |
| Graduate | 1,680 | 2,166 | 2,238 | 2,306 |
| Out-of-State Lower Division | 4,716 | 6,156 | 6,372 | 6,564 |
| Out-of-State Upper Division | 4,788 | 6,156 | 6,372 | 6,564 |
| Out-of-State Graduate | 5,040 | 6,498 | 6,714 | 6,918 |
| Governors State University | | | | |
| Undergraduate | 1,596 | 2,028 | 2,088 | 2,148 |
| Graduate | 1,680 | 2,136 | 2,208 | 2,274 |
| Out-of-State Undergraduate | 4,788 | 6,084 | 6,264 | 6,444 |
| Out-of-State Graduate | 5,040 | 6,408 | 6,624 | 6,822 |
| Illinois State University | | | | |
| Undergraduate | 1,714 | 2,846 | 2,952 | 3,038 |
| Graduate | 1,738 | 2,300 | 2,386 | 2,454 |
| Out-of-State Undergraduate | 5,142 | 8,538 | 8,856 | 9,113 |
| Out-of-State Graduate | 5,214 | 6,901 | 7,158 | 7,362 |
| Northeastern Illinois University | | | | |
| Lower Division | 1,572 | 2,040 | 2,112 | 2,184 |
| Upper Division | 1,596 | 2,040 | 2,112 | 2,184 |
| Graduate | 1,680 | 2,148 | 2,226 | 2,304 |
| Out-of-State Lower Division | 4,716 | 6,120 | 6,336 | 6,552 |
| Out-of-State Upper Division | 4,788 | 6,120 | 6,336 | 6,552 |
| Out-of-State Graduate | 5,040 | 6,444 | 6,678 | 6,912 |
| Northern Illinois University | | | | |
| Undergraduate | 1,714 | 2,846 | 2,952 | 3,000 |
| Graduate | 1,738 | 2,302 | 2,544 | 2,784 |
| Law | 2,634 | 4,632 | 5,038 | 5,403 |
| Out-of-State Undergraduate | 5,142 | 8,538 | 8,856 | 9,000 |
| Out-of-State Graduate | 5,214 | 6,901 | 7,632 | 8,352 |
| Out-of-State Law | 4,330 | 9,264 | 10,075 | 10,806 |
| Western Illinois University | | | | |
| Lower Division | 1,572 | 2,040 | 2,119 | 2,184 |
| Upper Division | 1,596 | 2,040 | 2,119 | 2,184 |
| Graduate | 1,680 | 2,148 | 2,232 | 2,304 |
| Out-of-State Lower Division | 4,716 | 6,120 | 6,357 | 6,552 |
| Out-of-State Upper Division | 4,788 | 6,120 | 6,357 | 6,552 |
| Out-of-State Graduate | 5,040 | 6,444 | 6,696 | 6,912 |

Table A-4

ANNUAL TUITION RATES AT ILLINOIS PUBLIC UNIVERSITIES
BY STUDENT LEVEL
FY1990 - FY1999

| | FY1990 | FY1997 | FY1998 | FY1999 |
|---|---|---|---|---|
| Southern Illinois University | | | | |
| Carbondale | | | | |
| Undergraduate | $ 1,560 | $ 2,550 | $ 2,700 | $ 2,781 |
| Graduate | 1,560 | 2,040 | 2,160 | 2,371 |
| Law | 1,842 | 4,004 | 4,312 | 4,620 |
| Medicine | 7,136 | 10,010 | 11,272 | 12,535 |
| Out-of-State Undergraduate | 4,680 | 7,650 | 8,100 | 8,343 |
| Out-of-State Graduate | 4,680 | 6,120 | 6,480 | 7,114 |
| Out-of-State Law | 5,526 | 12,012 | 12,936 | 13,860 |
| Out-of-State Medicine | 21,408 | 30,030 | 33,816 | 37,604 |
| Edwardsville | | | | |
| Undergraduate | 1,461 | 1,928 | 2,020 | 2,081 |
| Graduate | 1,566 | 2,066 | 2,164 | 2,288 |
| Dental | 3,000 | 5,682 | 6,500 | 7,410 |
| Out-of-State Undergraduate | 4,383 | 5,785 | 6,060 | 6,242 |
| Out-of-State Graduate | 4,698 | 6,199 | 6,492 | 6,865 |
| Out-of-State Dental | 9,000 | 17,046 | 19,500 | 22,230 |
| University of Illinois | | | | |
| Chicago | | | | |
| Lower Division | 1,935 | 2,870 | 2,956 | 3,046 |
| Upper Division | 2,181 | 2,870 | 2,956 | 3,046 |
| Graduate | 2,607 | 3,430 | 3,534 | 3,640 |
| Dental | 3,717 | 6,780 | 7,865 | 9,124 |
| Medicine | 5,352 | 11,250 | 11,588 | 11,936 [1] |
| Doctor of Pharmacy | 2,181 | 3,790 | 3,904 | 4,022 [2] |
| Out-of-State Freshmen | 5,475 | 8,610 | 8,868 | 9,138 |
| Out-of-State Sophomores | 5,475 | 8,215 | 8,868 | 9,138 |
| Out-of-State Upper Division | 6,213 | 8,215 | 8,460 | 8,718 [3] |
| Out-of-State Graduate | 7,287 | 9,683 | 9,976 | 10,276 |
| Out-of-State Dental | 10,617 | 19,500 | 22,624 | 26,240 |
| Out-of-State Medicine | 15,522 | 32,780 | 33,768 | 34,782 [1] |
| Out-of-State Doctor of Pharmacy | 6,213 | 9,286 | 9,566 | 9,852 [2] |
| Engineering Surcharge (all levels) | - | 400 | 400 | 400 |
| Business Administration Surcharge (graduate) | - | 5,500 | 5,500 | 5,500 |
| Nursing Surcharge (graduate) | - | - | 1,000 | 2,000 |
| Biomedical Visualization (graduate) | - | - | - | 1,000 |
| Undergraduate In-State Weighted Average | 2,075 | 2,919 | 3,006 | 3,096 |
| Graduate In-State Weighted Average | 2,607 | 3,894 | 4,083 | 4,268 |
| Springfield | | | | |
| Undergraduate | 1,560 | 2,550 | 2,633 | 2,707 |
| Graduate | 1,590 | 2,112 | 2,238 | 2,370 |
| Out-of-State Undergraduate | 4,680 | 7,650 | 7,899 | 8,123 |
| Out-of-State Graduate | 4,770 | 6,336 | 6,714 | 7,110 |

Table A-4

ANNUAL TUITION RATES AT ILLINOIS PUBLIC UNIVERSITIES
BY STUDENT LEVEL
FY1990 - FY1999

| | FY1990 | FY1997 | FY1998 | FY1999 |
|---|---|---|---|---|
| Urbana-Champaign | | | | |
| Lower Division | $ 2,130 | $ 3,150 | $ 3,308 | $ 3,408 |
| Upper Division | 2,376 | 3,150 | 3,308 | 3,408 |
| Graduate | 2,700 | 3,590 | 3,770 | 3,884 |
| Law | 3,284 | 5,750 | 6,538 | 7,234 |
| Veterinary Medicine | 4,324 | 7,360 | 7,730 | 7,962 |
| Out-of-State Freshmen | 5,670 | 9,450 | 9,925 | 10,224 |
| Out-of-State Sophomores | 5,670 | 8,580 | 9,925 | 10,224 |
| Out-of-State Upper Division | 6,408 | 8,580 | 9,011 | 9,284 [2] |
| Out-of-State Graduate | 7,380 | 9,945 | 10,443 | 10,760 |
| Out-of-State Law | 9,132 | 15,343 | 18,483 | 17,608 |
| Out of State Vet. Medicine | 12,252 | 19,856 | 22,185 | 21,496 |
| Engineering Surcharge (all levels) | - | 500 | 500 | 576 |
| Chemistry-Life Sciences Surcharge (all levels) | - | 500 | 500 | 500 |
| Fine Arts Surcharge (lower undergrad) | - | 200 | 200 | 200 |
| Fine Arts Surcharge (upper undergrad and graduate) | - | 400 | 400 | 400 |
| Business Administration (graduate) | 1,000 | 5,500 | 5,776 | 6,140 |
| Library Science Surcharge (graduate) | - | - | 500 | 500 |
| Undergraduate In-State Weighted Average | 2,267 | 3,336 | 3,488 | 3,608 |
| Graduate In-State Weighted Average | 2,739 | 4,164 | 4,407 | 4,568 |

Source: IBHE Records

[1] Second through fourth year medicine only, first year medicine rates are $13,936 for residents and $36,782 for non-residents.

[2] Second through fourth year pharmacy only, first year pharmacy rates are $5,772 for residents and $11,602 for non-residents.

[3] Seniors only, rates for Juniors are the same as lower division.

Table A - 5

COST STUDY CREDIT HOURS
ILLINOIS PUBLIC UNIVERSITIES AND COMMUNITY COLLEGES

| System/Institution | FY1993 | FY1994 | FY1995 | FY1996 | FY1997 | Percent Change FY1993 - FY1997 | Percent Change FY1996 - FY1997 |
|---|---|---|---|---|---|---|---|
| Chicago State University | 167,930 | 182,398 | 184,316 | 175,331 | 175,331 [1] | 4.4 % | - |
| Eastern Illinois University | 314,880 | 322,255 | 319,604 | 316,169 | 324,286 | 3.0 | 2.6 % |
| Governors State University | 86,011 | 94,275 | 96,744 | 100,130 | 100,130 [1] | 16.4 | - |
| Illinois State University | 550,164 | 522,131 | 492,412 | 491,933 | 496,191 | (9.8) | 0.9 |
| Northeastern Illinois University | 217,592 | 208,953 | 202,422 | 200,674 | 198,213 | (8.9) | (1.2) |
| Northern Illinois University | 576,632 | 551,130 | 536,358 | 521,237 | 512,397 | (11.1) | (1.7) |
| Western Illinois University | 331,842 | 323,613 | 306,872 | 299,404 | 294,887 | (11.1) | (1.5) |
| Southern Illinois University | 843,868 | 788,922 | 768,533 | 761,996 | 761,798 | (9.7) | (0.0) |
| Carbondale | 570,127 | 539,263 | 519,595 | 510,066 | 501,963 | (12.0) | (1.6) |
| Edwardsville | 273,741 | 249,659 | 248,938 | 251,930 | 259,835 | (5.1) | 3.1 |
| University of Illinois | 1,764,208 | 1,773,932 | 1,754,995 | 1,758,934 | 1,752,492 | (0.7) | (0.4) |
| Chicago | 592,120 | 589,948 | 579,269 | 574,293 | 577,770 | (2.4) | 0.6 |
| Springfield | 82,853 | 81,911 | 79,902 | 80,598 | 79,291 | (4.3) | (1.6) |
| Urbana-Champaign | 1,089,235 | 1,102,073 | 1,095,824 | 1,104,043 | 1,095,431 | 0.6 | (0.8) |
| Total | 4,853,127 | 4,767,609 | 4,662,256 | 4,625,808 | 4,615,725 | (4.9) % | (0.2) % |
| Illinois Community Colleges * | 6,564,289 | 6,257,517 | 6,149,884 | 6,056,457 | 6,068,503 | (7.6) % | 0.2 % |

[1] FY1997 Credit Hours were not available, FY1996 data were used.

* Excludes general studies credit hours.

Source: Public Universities' Discipline Cost Study and Community Colleges' Unit Cost Study





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